

sociation, of Pueblo, Colo.; German-American State Alliance of Kentucky, Covington, Ky.; St. Anthony Branch of Catholic Union; State League of Missouri, of St. Louis, Mo.; Macalester College Alumni Association, of St. Paul, Minn.; Charles Uhden, Karl Hesse, Carl Medrow, and J. A. Reshoff, of Spokane, Wash.; A. M. Toboczypf, of Cleveland, Ohio; University of Minnesota, of Minneapolis, Minn.; St. Agatha Branch of Catholic Knights of America, of St. Louis, Mo.; J. Flottmann, of Ferguson, and 23 citizens of St. Louis, Mo., in favor of bill prohibiting the manufacture and sale of arms and munitions of war to the belligerent nations of Europe; to the Committee on Foreign Affairs.

By Mr. BEAKES: Petitions of Jacob Laubengayer and 16 citizens of Ann Arbor; William F. Wegner and 82 citizens of Riga; Louis Andres, of Waltz; and 52 citizens of Wayne County, all in the State of Michigan, protesting against the export of munitions of war; to the Committee on Foreign Affairs.

By Mr. BURKE of South Dakota: Petitions of sundry citizens of Aberdeen, Delmont, Hazel, Hecla, Hoven, Orient, Redfield, Seneca, Turton, and various towns in Codington and Deuel Counties, S. Dak., favoring House joint resolution 377; to the Committee on Foreign Affairs.

By Mr. BURKE of Wisconsin: Resolutions passed by the Stadtverband, of Portage, Wis., representing 102 members and signed by A. Zienert, president, and J. Schnell, secretary, asking for the passage of a resolution at this session to enable the President to levy an embargo upon all war material, excepting foodstuffs only; to the Committee on Foreign Affairs.

Also, petition of E. G. Strassburger and 204 other citizens of Cedarburg, Wis., asking for the passage at this session of House joint resolution 377, to prohibit the sale or exportation from this country to European countries now at war of war material; to the Committee on Foreign Affairs.

Also, petition of G. R. Rousseau and 62 other citizens of Theresa, Wis., asking for the passage at this session of House joint resolution 377, to levy an embargo upon and prohibit the exportation from this country of war material to the European countries now at war; to the Committee on Foreign Affairs.

By Mr. CARY: Petition of Common Council of Cudahy, Wis., favoring civil-service retirement bill; to the Committee on Reform in the Civil Service.

Also, petition citizens of Wauwatosa, South Milwaukee, and Cudahy, Wis., favoring House bill 5308, to tax mail-order houses; to the Committee on Ways and Means.

Also, petition of A. F. Kurth, Henry Groth, Ram Stuart, Robert Plogt, Mrs. Mayer, Herman Mittag, Ole Olsen, Bruno Arndt, Edward Paulus, August Tetschler, and 192 others, all residents of Milwaukee, Wis., urging the passage of House joint resolution 377; to the Committee on Foreign Affairs.

By Mr. CLARK of Florida: Petition of W. B. Rodgers and other citizens of Miami, J. J. Oetjen and other citizens of Gotha, and H. Falk and other citizens of Delray, Fla., favoring bill forbidding export of arms; to the Committee on Foreign Affairs.

By Mr. COPLEY: Resolutions adopted by Branch No. 52, St. Hedwig's Society, of Downers Grove; Magdalene Society, of Joliet; and Polish National Alliance, of Aurora, all in the State of Illinois, protesting against the enactment of the proposed immigration restrictions requiring educational tests; to the Committee on Immigration and Naturalization.

By Mr. DALE: Petition of W. G. Taylor, of New York City, against Fitzgerald amendment to the Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

By Mr. DILLON: Petitions of citizens of Flandreau and Hartford, S. Dak., favoring passage of House joint resolution 377, relative to export of munitions of war; to the Committee on Foreign Affairs.

By Mr. DONOVAN: Petition of citizens of Danbury, Conn., favoring House joint resolution 377, to forbid export of arms; to the Committee on Foreign Affairs.

By Mr. ESCH: Petition of A. H. Buelow and 57 other citizens of Loganville, Wis., urging passage of House joint resolution prohibiting export of munitions of war; to the Committee on Foreign Affairs.

Also, petition of Albert Stroota and 43 other citizens of Abbotford, Wis., protesting against allowing the Menace the privileges of the mails; to the Committee on the Post Office and Post Roads.

By Mr. GERRY: Petitions of Rev. Leroy L. Daniels, of Providence, R. I., urging the passage of the Palmer-Owen bill; to the Committee on Labor.

Also, petitions of Arthur Carney, Patrick J. Burke, John J. Shanley, Thomas M. Casey, and Herbert F. Croghan, of Providence, R. I., urging protection for Catholics in Mexico; to the Committee on Foreign Affairs.

By Mr. GILMORE: Petition of Polish National Alliance, of Brockton, Mass., against Smith-Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. GOEKE: Petition of William N. Emch and 38 others, of Fort Recovery, Ohio, favoring passage of House joint resolution 377, to prohibit export of munitions of war; to the Committee on Foreign Affairs.

By Mr. GORDON: Petition of citizens of Cleveland, Ohio, favoring passage of House joint resolution 377, to prohibit export of war material; to the Committee on Foreign Affairs.

Also, petition of board of trade, village council, and citizens of Put in Bay Island, Lake Erie, Ohio, and the George Worthington Co., of Cleveland, Ohio, protesting against the passage of the seamen's bill in its present form; to the Committee on the Merchant Marine and Fisheries.

By Mr. KAHN: Papers to accompany the bill for relief of estate of Rudolf Axman; to the Committee on Claims.

By Mr. KENNEDY of Rhode Island: Petitions of Thomas M. Casey, Herbert F. Croghan, and James J. Daly, of Providence, protesting against treatment of Catholics in Mexico; to the Committee on Foreign Affairs.

By Mr. KONOP: Petitions of citizens of the ninth congressional district of Wisconsin, favoring the passage of House joint resolution 377, to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. LOBECK: Petition from 251 citizens of Pender, Nebr., indorsing the Hitchcock bill for prohibiting the shipment of arms and ammunition to the warring countries of Europe; to the Committee on Foreign Affairs.

Also, petition of citizens of Papillion, Springfield, Fort Crook, Benson, and South Omaha, Nebr., and the German Farmers' Mutual Fire Insurance Co., of Douglas County, Nebr., favoring bill to prohibit export of arms; to the Committee on Foreign Affairs.

Also, petition of 189 citizens of Omaha, Nebr., favoring civil-service retirement bill; to the Committee on Reform in the Civil Service.

By Mr. LONERGAN: Petition of Stanislaw Cendrowski, New Britain, Conn., and J. B. Kulas, of Suffield, Conn., protesting against the Smith-Burnett immigration bill (H. R. 6060); to the Committee on Immigration and Naturalization.

By Mr. NEELY of West Virginia: Papers to accompany House bill 16432, for the relief of Francis M. Hockenbery; to the Committee on Invalid Pensions.

By Mr. J. I. NOLAN: Petitions of sundry citizens of San Francisco, Cal., favoring the passage of House joint resolution 377, to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. O'HAIR: Petition of citizens of Kankakee, Danforth, and Crescent City, Ill., favoring House joint resolution 377, to place an embargo on contraband of war; to the Committee on Foreign Affairs.

By Mr. PAIGE of Massachusetts: Petition of citizens of Clinton, Mass., favoring passage of bill prohibiting export of munitions of war; to the Committee on Foreign Affairs.

By Mr. STEENERSON: Petition of citizens of Perham, Dent, and Bluffton, Minn., favoring House joint resolution 377, to forbid export of arms; to the Committee on Foreign Affairs.

By Mr. VOLLMER: Petitions of 13 citizens of Muscatine, Iowa, and 1,032 American citizens, favoring bill to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. WALLIN: Petitions of German Evangelistic Synod of Amsterdam and the German Catholic Society of Schenectady, N. Y., favoring House joint resolution 377, relative to export of munitions of war; to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES.

SATURDAY, January 23, 1915.

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Ancient of Days, our God and our Father, before whom kings, peasants, the rich, the poor of all ages have prostrated themselves, seeking consolation, hope, and guidance, so we come in all faith and confidence, praying for the uplift of Thy spirit to guide us on our way, that we may serve Thee in whatsoever our hand findeth to do. In the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. PAGE of North Carolina. Mr. Speaker, I call up from the Speaker's table the bill (H. R. 19422) making appropriations

for the support of the District of Columbia, and ask unanimous consent that all of the Senate amendments be disagreed to, and ask for a conference.

Mr. JOHNSON of Kentucky. In the first place, Mr. Speaker, I desire to reserve a point of order on the present procedure. I may not make the point of order, but in order to be on the safe side I reserve it.

Mr. MANN. It can only be done by unanimous consent. There is no point of order that can be made.

Mr. PAGE of North Carolina. I ask unanimous consent. I assume that the procedure is orderly.

The SPEAKER. The gentleman from Kentucky [Mr. JOHNSON] can object, or anybody else.

Mr. JOHNSON of Kentucky. In the first place, I reserve a point of order under Rule XX as to the present manner of considering this bill, but probably I will not make it.

Mr. MANN. But, Mr. Speaker, there is no point of order against a unanimous consent.

Mr. JOHNSON of Kentucky. I reserve also the right to object to the request for unanimous consent, for the purpose of asking the gentleman from North Carolina, who will have charge of the bill in conference, as to whether or not the House will be given separate votes upon some of the amendments made to the bill by the Senate.

Mr. PAGE of North Carolina. Will the gentleman designate the particular amendment he has in mind?

Mr. JOHNSON of Kentucky. I desire the conferees to permit the House to vote upon the Senate amendment numbered 1 and Senate amendment numbered 51, and—

Mr. MADDEN. What do those amendments refer to?

Mr. JOHNSON of Kentucky. The Senate amendment numbered 1 refers to what is known as the Johnson amendment, that of using first the revenue derived by the District of Columbia for the support of the District of Columbia, and after that having the Federal Government supply whatever else may be needed, not exceeding one-half of the total expense.

Mr. PAGE of North Carolina. Well, Mr. Speaker, I will say in regard to this amendment, the House having placed this amendment in the bill by a vote of practically two to one, the conferees would not feel that they were warranted in receding until the House had had an opportunity to pass upon it, and the conferees will be disposed to give the House that opportunity.

Mr. JOHNSON of Kentucky. Will they be sufficiently disposed to do it to do it. [Laughter.]

Mr. PAGE of North Carolina. Yes. So far as I may speak for these conferees, they will do it.

Mr. JOHNSON of Kentucky. And as to amendment numbered 51, Mr. Speaker, that is a Senate amendment appropriating \$18,000 for a convenience station—a privy. There is not a residence in my entire district that cost that much money, and inasmuch as the Senate has shown a disposition to waste money—throw it at the birds—in order to eat up the amount of money that the District of Columbia has on hand I would like to see a separate vote had on that also.

Mr. PAGE of North Carolina. Well, Mr. Speaker, I will say to the gentleman that the House subcommittee and the House committee were very much opposed to this amendment and did not put it in the bill, and before passing on it I will agree with the gentleman from Kentucky that the House shall have an opportunity to pass upon it before we agree to it.

Mr. JOHNSON of Kentucky. Then, as to Senate amendment numbered 110, in reference to what somebody has chosen to designate as the "Gallinger Hospital," I would like to have a separate vote on that.

Mr. PAGE of North Carolina. Mr. Speaker, the current District of Columbia bill carried a provision appropriating \$15,000 for the preparation of plans to be submitted in contemplation of the erection of this hospital. The House committee did not place an item in the bill in connection with it, largely for the reason that no plans had been prepared, and no additional information had been furnished relative to this proposed enterprise, and in so far as my information goes, none has been furnished to this date. Personally, I shall oppose the adoption of this amendment, and I will agree to give the gentleman and the House an opportunity to pass upon it before it is agreed to.

Mr. JOHNSON of Kentucky. Then, Mr. Speaker, as to Senate amendments numbered 121 and 122, which relate to the proposed reformatory near Occoquan and the extensive manufactory which it is proposed shall be established there, I should also be glad to have the House permitted to have a separate vote upon those amendments.

Mr. PAGE of North Carolina. Well, I would like to ask the gentleman, Mr. Speaker, a question as to that. The gentleman from Virginia [Mr. CARLIN] is very much interested in these two amendments, and I think he has reached a State of mind

where this matter can be settled, possibly without coming back to the House. It may be settled in conference. To be entirely frank, the gentleman will recall that the present provision of law provides that this institution can sell its products only to the District of Columbia. The provision carried in the House bill as it went to the Senate enlarged this by including the Government of the United States. The amendment numbered 121, to which the gentleman refers, was placed in the bill in the Senate. It was offered by Senator KERN, and it strikes out the present provision of law, as well as the enlargement carried in the House bill. I am inclined to think an agreement might be reached in conference upon this proposition satisfactory to the gentleman from Virginia [Mr. CARLIN]. As to whether or not it would be satisfactory to the gentleman from Kentucky, I do not know. If the gentleman insists, that item would come back, but possibly it would resolve itself into the adoption of the present law. If the gentleman insists, in order to get the bill to conference and expedite its passage I will make another promise, but I think that is hardly necessary.

Mr. JOHNSON of Kentucky. The gentleman from North Carolina has addressed himself more particularly to amendment numbered 122 rather than that numbered 121. I am informed that the Department of Justice views with grave apprehension the possibility of error in Senate amendment numbered 121. I am not fully prepared to discuss that amendment just now, but it should be discussed, and from the information I have as to the position taken by the Department of Justice, and the reasons given by the Department of Justice for the position it takes, I believe that amendment ought to come up for full consideration before the House.

Mr. PAGE of North Carolina. Mr. Chairman, I will say that the gentleman was correct in saying that I had in mind by my former statement amendment numbered 122, but I have no objection to saying that the conferees will give the House an opportunity to vote on amendment 121.

Mr. JOHNSON of Kentucky. Mr. Chairman, I shall not insist, over the protest of the gentleman from North Carolina, relative to Senate amendment 122; but that is fraught with danger and with robbery, as the authorities of the District of Columbia have been construing some laws heretofore passed, in this, that I apprehend they will treat the receipts from the sale of brick as a revenue, and that the Federal Government will be called upon to match dollar for dollar those receipts, notwithstanding the fact that the Federal Government furnishes 50 cents on every dollar with which the brick are made.

Day before yesterday the auditor of the District of Columbia was in my office and admitted to me that at the Georgetown market house they have some old street lamp-posts stored upon their own property; that the District of Columbia is charging the District of Columbia about \$70 a month rent for storing those old lamp-posts; that \$70 a month rent which the District of Columbia collects from the District of Columbia is treated as a revenue; and, as against that \$70 a month, the Federal Government is putting up \$70 a month.

The Federal Government owns the market-house property down here on Pennsylvania Avenue. Under the act of May 20, 1870, the Federal Government gave the rental from that property to the District of Columbia, to be used for the poor of the District of Columbia. It was never used for the poor of the District of Columbia, and for 44 years the District of Columbia has taken \$7,500 a year which came from the rental of that property as a gift of the United States, and has treated it as revenue; and against that \$7,500 a year for 44 years the Federal Government has put up and contributed an additional \$7,500, and that notwithstanding the fact that a portion of that property is to-day being rented to the District of Columbia as an armory for the National Guard, at \$8,000 a year, and I am advised by the president of the market company that they now propose to charge \$12,000 a year. For 44 years it has cost the Federal Government \$15,000 a year to make the District of Columbia a present of \$7,500 a year on account of its property at Seventh Street and Pennsylvania Avenue.

In addition to that, the District of Columbia has collected a large tax on that property, and that tax also has been treated as a revenue during all these long years, and the Federal Government has matched that tax, dollar for dollar, as an additional present to the District of Columbia, and during a great portion of that time has, in addition, been contributing one-half of the \$8,000 that has been collected from the District of Columbia for only a part of the premises.

I see in this brick proposition another instance where just that thing can be repeated. The Federal Government, the goose that lays the golden egg for the District of Columbia, is being imposed upon most flagrantly and outrageously in this kind of thing. I hope the gentleman from North Carolina will

not insist that the House shall not have a separate vote upon the Senate amendment 122.

Mr. PAGE of North Carolina. Mr. Speaker, I am, as the gentleman from Kentucky realizes, having charge of the bill—I am not in a position to insist upon the House not having a separate vote, because his right would give him that now if he chooses to exercise it.

Mr. JOHNSON of Kentucky. I dislike to demand the right over the gentleman's protest.

Mr. PAGE of North Carolina. Rather than delay the bill going to conference, I will say that I have no objection to saying that the House shall have an opportunity to vote on this amendment as well as the other.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. PAGE of North Carolina. Certainly.

Mr. UNDERWOOD. Mr. Speaker, the discussion of this bill has brought out a question that arises every year, and that is the question as to how much of the District taxes should be paid by the Federal Government in proportion to the amount paid by the District Government. I think it is clearly the sentiment of this House that the Federal Government should bear a proportion of the taxes to run the District on account of the large amount of property that the Federal Government owns here.

But no one in the House, outside of the committees that have the matter in charge, are informed, or have information that they are willing to rest upon, as to what is a fair distribution of the burdens of this Government. I know that I have not, and I have been here a good many years. I find one place that looks like it was a very flagrant abuse of the power. Another proposition is made that looks like it would be an imposition on the District. I have never seen yet coming from one committee a proposition that clearly demonstrated to the House what was a fair and equitable distribution of this question of taxation. I ask the gentleman why is it that we can not have a commission—a commission settled it 40 or 50 years ago, but that settlement may be out of date—why can not we have a commission appointed, or some other way of ascertaining all the facts from top to bottom, and lay them before the House in a report so that the House may be informed.

Mr. PAGE of North Carolina. Mr. Speaker, in answer to the gentleman's question as to why we can not have a commission go into the whole matter and make a report to the House, I want to say, in the first place, that I do not think any serious effort has been made on the part of anybody to bring about this result so far as the House is concerned; and as to why the other legislative body did not see fit to do it, perhaps the gentleman will get some enlightenment in the fact that they rejected that proposition on this very bill.

Mr. UNDERWOOD. Does the gentleman think the question will ever be settled until the House is given full information?

Mr. PAGE of North Carolina. I do not desire to engage in any controversy about this matter at this time. The gentleman from Alabama made the statement a moment ago as to the lack of information on the part of the House generally outside of the committee who had the matter in charge. My reply would be that the membership would be absolutely as ignorant after as they were before unless they took up and studied the report made by the committee. If the House had studied the hearings, possibly, and other information that has gone into the Record coming from gentlemen on the committee who have the matters in charge, the Members might have been able to reach an enlightenment of mind that would give them conclusion as to what ought to be done.

Mr. UNDERWOOD. Mr. Speaker, I will say to the gentleman that I do not know the value of the property owned by the Government and I do not know the value of the property outside. There are a good many questions of that kind on which I would want information in order to reach a conclusion.

Mr. PAGE of North Carolina. That matter as to the relative value of the property of the Federal Government and the District of Columbia has been placed in the Record by several gentlemen, taken from reports of the officers of the District of Columbia. My judgment is that the work of the committee, if it were appointed to make a report on this matter, would be largely confined to getting together of information that already exists in the CONGRESSIONAL RECORD and other documents that have been printed as House documents.

Mr. UNDERWOOD. Mr. Speaker, it would be assembling it so that the average Member of the House would have an opportunity to get hold of it and understand it. What I suggest to the gentleman is that I think it is a great waste of time of this House, and it is not fair to the Government or to the District of Columbia, not to have this question settled. I think myself that the Government ought to bear a portion of the bur-

den of this District, because I think it is the National Capital, and we ought to have a Capital that we may be proud of.

Mr. PAGE of North Carolina. Mr. Speaker, I most heartily and entirely agree with that statement.

Mr. UNDERWOOD. Mr. Speaker, I made the statements that I have not to interfere with the gentleman's bill, but because I think the time has come when an effort ought to be made by the committees having these matters in charge to settle this question finally.

Mr. PROUTY. Mr. Speaker, will the gentleman yield?

Mr. PAGE of North Carolina. Yes.

Mr. PROUTY. Mr. Speaker, I want to suggest to the gentleman from Alabama [Mr. UNDERWOOD] that at the last session of Congress I introduced a bill which has received the favorable recommendation of the committee and is now on the calendar ready to be heard at the first time we can get an opportunity. I may say that I have been waiting around here watching with a good deal of care to find an opening, but for some reason, on almost every pretext, the affairs of the District of Columbia are shoved aside for some other supposedly more important matter.

Mr. UNDERWOOD. Mr. Speaker, I think I am familiar with the bill that the gentleman has in mind. That is not what I was talking about. The gentleman is asking for legislation, and I am asking for information.

Mr. PROUTY. But I have introduced a bill for the appointment of a joint commission, to be appointed by the Speaker of the House, the President of the Senate, and the President of the United States.

Mr. UNDERWOOD. Oh, that is not the bill I had in mind.

Mr. PROUTY. I thought the gentleman had not observed that yet. I shall make an effort to bring it to the consideration of the House at the very first opportunity.

Mr. JOHNSON of Kentucky. Mr. Speaker, the gentleman from Alabama [Mr. UNDERWOOD] very frankly admits what the House has several times observed—that he knows nothing about this subject. He is still asking for the appointment of a commission. The gentleman either does not know or forgets that there have been several commissions on this very subject, and the recommendations of no single commission have ever been adopted by Congress. The commission made up in 1876, which has frequently been referred to as a commission of "statesmen," partial as they were to the District of Columbia and forgetful as they were of the interests of the United States in this question, recommended to Congress that the District of Columbia pay 60 per cent of the expenses of the District of Columbia and that the Federal Government pay 40 per cent. That recommendation was ignored, and the 50 per cent, or half-and-half, plan was adopted in lieu thereof. Again, we had a commission in 1878. The result of the work of that commission was the introduction of a bill in February, 1878, and in that bill there was a provision that the District of Columbia should have its local legislature, elected by the people of the District of Columbia, and that no money belonging to the people of the District of Columbia should be expended upon any public improvement until that local legislative body had approved that piece of work, and that no more money than was approved by that local legislature should be expended. Yet the work of that commission was thrown to the wind, and because it was we are here to-day in clash over this proposition.

We hear the assertion that no one knows the extent to which the Federal Government is contributing in District affairs. Does not everyone know that there is no piece of public work done by the District of Columbia in the District of Columbia of which the Federal Government does not pay half? In addition to that, does not everyone know that every other piece of public work done in the District of Columbia is paid for entirely by the Federal Government? Are we not now expending four and a half million dollars to acquire a park between the Capitol and the Union Station without a dollar of contribution from the District of Columbia? Are we not now expending \$2,000,000 upon the Lincoln Memorial in Potomac Park to beautify Washington when the District of Columbia is not contributing one farthing to it? Have we not just concluded the erection of the National Museum at Federal expense to beautify Washington without the District of Columbia contributing one dollar toward it? Have we not just built the new post office, the new Agricultural Building, and the new building for the Bureau of Printing and Engraving all at Federal expense? I can name many more instances where the city is being beautified by the expenditure of Federal millions without participation by the District of Columbia.

Mr. MANN. Mr. Speaker, will the gentleman from Kentucky yield?

Mr. PAGE of North Carolina. Yes.

Mr. MANN. I was going to suggest that if we are going to discuss this proposition, then we ought to discuss it; but if we are to vote upon it, we ought to vote upon it.

Mr. PAGE of North Carolina. Mr. Speaker, I presume I have the floor?

The SPEAKER. That is true.

Mr. MANN. I am going to ask for the regular order whoever has the floor. I am perfectly willing to have the matter discussed if it is to be acted upon, but I do not believe we ought to take the time to discuss it now unless we are going to vote upon it.

Mr. JOHNSON of Kentucky. Mr. Speaker, did I understand the gentleman from North Carolina to say, as one of the conferees, that he was willing to let the House vote on Senate amendments 121 and 122?

Mr. PAGE of North Carolina. I suggested that I would give the House an opportunity to pass on those amendments.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina [Mr. PAGE] to take this bill from the Speaker's table, disagree to the Senate amendments, and ask for a conference? [After a pause.] The Chair hears none. The Chair announces the following conferees, which the Clerk will report.

The Clerk read as follows:

Mr. PAGE of North Carolina, Mr. Sisson, and Mr. Davis.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. SINNOTT, for three days, on account of illness in his family.

EXTENSION OF REMARKS.

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the Army appropriation bill.

The SPEAKER. Is there objection?

There was no objection.

AGRICULTURAL APPROPRIATION BILL.

Mr. LEVER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 20415, the Agricultural appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 20415, the Agricultural appropriation bill, with Mr. HAMLIN in the chair.

The CHAIRMAN. The House is in the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 20415, the Agricultural appropriation bill, the title of which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 20415) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1916.

Mr. LEVER. Mr. Chairman, I yield one hour to the gentleman from North Carolina [Mr. STEDMAN]. [Applause.]

Mr. STEDMAN. Mr. Chairman, for a long time I have been interested in the future of the people who inhabit the Philippine Archipelago. I have been attracted to them by their love of liberty, by their attachment to their homes, by their heroic struggle against Spain in behalf of freedom, by their pathetic appeals for justice to this Republic when exhausted by the hopeless struggle against its overwhelming power, they have begged of us that treatment they had a right to expect from a Nation whose theory of government, whose traditions, and whose declarations forbid the exercise of sovereignty over a weaker nation against their will by armed force.

My attention has been called to the hearings recently had before the Senate Committee on the Philippines, which had under consideration the Jones bill—H. R. 18459—which has passed the House and is now being considered by the Senate. I was not present when this bill was under discussion in the House, having been called home by sickness in my family, but I returned before it was finally disposed of and voted for its passage.

I am gratified that the opportunity is offered me and this privilege granted to express my views with reference to this bill, and especially to portions of the testimony before the Senate committee. In the main, it has been highly favorable to the contention of those who favor the bill. Impartial witnesses who have had every opportunity to form a correct estimate of the traits of the Filipinos and of their ultimate fitness to maintain a stable form of government credit them with very high qualities, especially with a love of truth, a love of home, respect for law, a conscientious observance of all contracts entered

into—characteristics which go to the basis of all character in every land, occidental and oriental.

As an American citizen profoundly attached to the institutions of my country, rejoicing in its glory as well as its grandeur of government, I wish to see its integrity forever unquestioned, its honor forever unsullied; I wish to see its promises made to the Filipino people sacredly kept. But aside from all this I wish also to express my unqualified dissent from the views expressed in unmistakable terms and without qualification by the minority leader on this floor [Mr. MANN] when the bill was under discussion which recognized the moral and legal right of this Government to hold an alien people in subjection against their will forever, if desired. I was consternated when views were expressed recently by ex-President Taft before the Senate committee which practically, so far as the Filipino people are concerned, agree with those advocated by the minority leader, for whilst ex-President Taft did not in express terms claim this right he advocated the holding of this people for 60 years, if necessary, to give the experiment of testing their capacity for self-government a full and fair trial. This means forever, for we all know that if this Republic controls those people for 60 years it will never voluntarily release its dominion.

I shall refer to the views of Mr. MANN, minority leader, and of ex-President Taft more fully before I conclude.

Strange as it must appear to all who have the slightest acquaintance with the history of the Filipino people, an endeavor has been made by some, regardless of the array of facts to the contrary, to create the impression that they are indifferent to their independence and, in fact, that they would prefer to live under the control of this Government.

The history of the nations of the world, strong and weak, can furnish the record of no race, of no people, whose lives and conduct have shown a more passionate desire for liberty regardless of consequences to themselves from the time when they first learned the true meaning of freedom and realized that it was a blessing which belonged to them as an inalienable right vouchsafed by Providence to all men who prove themselves worthy of its blessings.

For three centuries they bore the burden of Spanish misrule, ignorant of their rights and of the blessings which come to a free people. When education advanced the light of liberty dawned upon their minds and grew stronger and brighter until with them it has become an inextinguishable flame. They conquered the islands from the Spaniards, and although they knew the fight was absolutely hopeless they made it against the unlimited power and resources of this Republic, and from first to last it required 120,000 American soldiers and three years' time to end the struggle. The war began February 4, 1899; the official announcement of its end was July 4, 1902, as will be seen from the report of Secretary Root for 1902. When finally they yielded they had every reason to suppose that their independence would be granted when they had shown themselves to be capable of maintaining a stable form of government. To engage in and maintain a conflict knowing that the result will be certain and adverse requires the highest type of courage, and this was manifested by the Filipino people. The love of liberty is a prerequisite to capacity for self-government. Wonderful as it must seem in the face of these facts, we are told by some, but by very few, I am glad to say, that the people of the Philippine Archipelago are not especially desirous of independence for which they have faced death and have suffered privation, want, and misery in many manifold forms.

It would seem to be a waste of time to discuss such a statement. Every municipality and Province in the Philippine Islands has declared in favor of independence; every one has declared in favor of the Jones bill now pending except three, and those three, whilst they declare for independence, prefer that a definite date be fixed, and they are right. I prefer the original Jones bill, which names a definite date—eight years—when independence should be given to them. I read that bill carefully several times and studied its provision. It is a model for the purpose for which it was intended. Prepared by its eminent author, the distinguished chairman of the Committee on Insular Affairs, with great care, it will ever remain a monument to his ability, his sense of justice to the Filipino people, his disinterested patriotism as an American citizen. The only change I should have made in that bill would have been to have shortened the period of time fixed for independence. I should have preferred four years, or even two, instead of eight, and I go further and say that the interests of both the people of this country as well as of the Philippine Archipelago would be served by granting their appeal for independence without any delay. Such a course would be in accordance with the theory of this Republic which never contemplated holding an alien

people in subjection against their will. I, however, give my support unhesitatingly to this bill, inasmuch as the chairman of the Committee on Insular Affairs and others greatly interested in seeing justice done think it best for all to do so.

Mr. Taft, in his testimony before the Senate Committee on the Philippines, when speaking of the purpose of our being in the islands at all, said: "The first purpose of being in there was to get out." But to "get out," to correct the terrible mistake of ever going in, he suggests a line of retreat which would reflect no credit upon this Republic and which never would have been considered in our earlier days. Our fathers would have said to these people, "Go your way in peace and enjoy the blessings of liberty." The ex-President, before he concluded his testimony, was badly stranded, as I will show you later on. His line of retreat brought him in direct conflict with the Declaration of American Independence and the traditions of this Republic.

If you would know the sentiments of any people upon any great question affecting their aspirations, their happiness, their fortunes and very existence, find the man whom they have recognized as their highest ideal; visit their homes, upon whose walls hang his portrait; listen to the voice of the father as he tells his child to imitate his example, to the mother as she whispers his name as a lullaby to her infant; then find out the mental characteristic of that man which marks him above his fellows, which has been the guiding star of his life, which he has ever followed with unwavering devotion, and you will know with unerring certainty the sentiments of those whose firesides and altars are consecrated to his memory.

Dr. José Rizal won this place amongst his countrymen. In the history of the Filipino people his name will forever live as the evangelist of liberty. He was the leader in thought of his countrymen. His life stood for self-sacrifice, for lofty thought, for supreme devotion to liberty. The anniversary of his execution has been made a national holiday throughout the Philippine Archipelago. His martyrdom will stir the hearts of men in every succeeding age as they read the story of his life. The night before his execution in a dungeon in Fort Santiago, when the shadow of death was all around him and about him, with no voice of friend or comrade to cheer him, he composed a poem and sent it to his people—his farewell message. For lofty sentiment, for tender pathos, for high resolve, for devotion to liberty there will be found not one anywhere, even amongst the most intellectual nations of the world, which will more enlist the sympathies and touch the hearts of brave men in every land where freedom lives and liberty has a home. I will read it:

MY LAST THOUGHT.

[Poem written by José Rizal, the national hero of the Philippines, a few hours before he was executed by the Spaniards on December 30, 1896.]

(Translation.)

Land I adore, farewell! Thou land of the southern sun's choosing!
Pearl of the Orient seas! Our forfeited Garden of Eden!
Joyous, I yield up for thee my sad life, and were it far brighter,
Young, rose-strewn, for thee and thy happiness still would I give it.
Far afield, in the din and rush of maddening battle,
Others have laid down their lives, nor wavered nor paused in the giving.
What matters way or place—the cypress, the lily, the laurel,
Gibbet or open field, the sword of inglorious torture—
When 'tis the hearth and the country that call for the life's immolation?

Dawn's faint lights bar the east, she smiles through the cowl of the darkness,
Just as I die. . . .

Vision I followed from far, desire that spurred on and consumed me!
Greeting! my parting soul cries, and greeting again! O my country!
Beautiful is it to fall, that the vision may rise to fulfillment.
Giving my life for thy life, and breathing thine air in the death throes;
Sweet to eternally sleep in thy lap, O land of enchantment!

If in the deep rich grass that covers my rest in thy bosom
Some day thou seest upspring a lowly, tremulous blossom,
Lay there thy lips, 'tis my soul.

And if at eventide a soul for my tranquil sleep prayeth,
Pray thou, too, O my fatherland! for my peaceful reposing!
Pray for those who go down to death through unspeakable torments;
Pray for those who remain to suffer torture in prison;
Pray for the bitter grief of our mothers, our widows, our orphans;
Oh, pray, too, for thyself on the way to thy final redemption.

When our still dwelling place wraps night's dusky mantle about her,
Leaving the dead alone with the dead to watch till the morning,
Break not our rest and seek not to lay death's mystery open.
If now and then thou shouldst hear the string of a lute or a zither,
Mine is the hand, dear country, and mine is the voice that is singing.

When my tomb, that all have forgot, no cross nor stone marketh,
There let the laborer guide his plow, there cleave the earth open.
So shall my ashes at last be one with thy hills and thy valleys,
Little 'twill matter, then, my country, that thou shouldst forget me!
I shall be air in thy streets, and I shall be space in thy meadows.
I shall be vibrant speech in thine ears, shall be fragrance and color,
Light and shout, and loved song, forever repeating my message.

Idolized fatherland, thou crown and deep of my sorrows,
Lovely Philippine Isles, once again adieu! I am leaving
All with thee, my friends, my love. Where I go are no tyrants;
There one dies not for the cause of his faith; there God is the ruler.

Farewell, father and mother and brothers, dear friends of the fireside!
Thankful ye should be for me that I rest at the end of the long day.
Farewell, sweet, from the stranger's land, my joy and my comrade!
Farewell, dear ones, farewell! To die is to rest from our labors!

[Applause.]

When days of peril come to any people, when the skies are dark with evil portent, when all which they hold dear—their very existence—is at stake, whom do they select as their leader in the crisis? They ever choose those whose hearts beat in unison with theirs, whose sentiments are their sentiments. In the hour of their trial whom did the Filipino people select to present their claim for justice; whom did they choose as their representative to this Government, which is the arbiter of their destiny? They selected a young man who had already become conspicuous as the advocate and champion of their freedom. Well did they make their choice. I take this occasion to say that Mr. MANUEL QUEZON, who twice has been unanimously elected by the Philippine Assembly as Resident Commissioner in this Capital, is entitled to their lasting gratitude. [Applause.] He has made the fight for the liberty of his people with fidelity, with ability, with courage, and with a rare discretion which has won for him the respect of the Representatives of this Government and has proved himself worthy of high rank amongst the foremost advocates of liberty in any assembly in any land. [Applause.]

Independence is the dominant idea of the Filipino people. Above all others it is their absorbing thought. The men connect it inseparably with the happiness, the prosperity, and the glory of their native land. The women teach the lesson to their children. The schoolboy selects it as the subject of his speech. The Filipino girl makes it the refrain of her evening song.

Vice Governor Martin, in speaking of their earnest desire for independence, says:

I will explain it in this way: I have made two trips over the islands for the particular purpose of visiting the schools and looking into agriculture, because agriculture is in my department. I was usually in company with the director of education and the director of agriculture, with the governor of the Province we were in, and some other people, and usually they decorated the roads, especially through their villages and everywhere and in every part of the island where I was, with the word "Independence," and where a schoolboy made a speech of welcome he could not get away without referring to independence and what he hoped I would do for him. And wherever a presidente, a mayor of a town, made a speech welcoming us to a town he invariably had his petition for independence.

But it is said that the people of the Philippine Islands have no capacity for self-government, nor can they maintain a stable form of government. In answer thereto it is well known that those people have given actual demonstration to the contrary. During the year 1898 they captured every city and town in the Philippine Archipelago from the Spaniards with the exception of Manila, which was occupied by the United States Army. From June, 1898, until February 4, 1899, the people of the Philippines had a government of their own with a constitution framed with ours as a model, a President of their Republic, a Congress, courts and municipal governments throughout the islands. This government was the de facto government and responsible for the lives and property of all the people of the archipelago excepting Manila, and it is admitted by all of those who traveled throughout the islands that order was maintained and life and property protected to the satisfaction of all. It must not be forgotten that this de facto government, the adoption of the constitution, and establishment of national and municipal governments, were all without help of any foreign Government or without any assistance from any foreign element whilst the war with Spain was yet unfinished and the war with the United States threatening.

John Barrett, at that time minister of the United States to Siam, witnessed the operation of this government and spoke of it in terms of high commendation.

Admiral Dewey, who witnessed the workings of this de facto government, stated that the Filipinos were more capable of self-government than the Cubans. Gen. Merritt, the first commander of the American Army in the Philippines, likewise so stated.

Gen. Nelson A. Miles, then Commanding General of the United States Army, in a book written by him, states that the Filipino people are entirely capable of administering the affairs of their country.

President Schurman, of Cornell University, and a member of the first Philippine Commission, has recently expressed the same views. Judge James H. Blount, who served in the Philippines as a captain of Volunteers, and was afterwards a judge, and also Gov. CURRY, of New Mexico, a Member of the Sixty-

second Congress, who also served as a captain of Volunteers, favor Philippine independence.

Testimony of many impartial witnesses who are acquainted with the conditions surrounding the Filipino people, and who have witnessed their achievements and affairs of government, leave no doubt as to their ability to maintain a government of law and order.

Judge Elliott, a member of the Philippine Commission appointed by Mr. Taft, gives this testimony:

I never had any sympathy with the party which opposed the retention of the Philippines. But the Filipinos have been promised independence and have been led to believe that American occupation was temporary and only for the purpose of training them for self-government. They are competent to-day to conduct a fairly good government, such a one as they desire to live under. They can maintain law and order and can protect the lives and property of foreigners, and that is about all we can expect or rightly demand. I am therefore in favor of keeping the faith with these people and passing a law somewhat similar to the Jones bill.

Capt. Hatch, of the Eighteenth Infantry, who served in the islands and was brought in contact with thousands of the people, said:

They are a temperate, sober people. During a year's residence among them I never saw a drunken Filipino. They are a cleanly people. They are hospitable, and they are generous in their hospitality. They are not an ignorant people. Their intelligence and educational progress are apt to be underestimated because of failure to understand them. The Filipinos are not so much different from other people. Their customs, habits, hopes, and aspirations are deep-seated. Their leaders are shrewd, bright men of much ability; the masses are earnest in their loyalty.

Mr. Southworth, in a letter to Hon. W. A. JONES, December 9, 1912, said:

With a strong religious sentiment underlying the lives of these people, a virtuous womanhood from whom must spring their future citizens, a high regard for law and official authority, a fair amount of general education now, and a wonderful aptness for learning, and a patriotism which is so lofty and pathetic that it should touch the heart of every unselfish American in the islands, there is no reason on earth why these people should not be granted independence.

Senator SHAFROTH made the following statement:

I regard the seizure of the Philippine Islands by our Government as perhaps the darkest blot upon our national history, and nothing but the restitution of the character suggested will restore us in the eyes of the world as the leader of all movements in behalf of liberty and freedom.

Secretary Taft, after observing the sessions of the Philippine Assembly for three weeks, on leaving in 1906 used this language:

From the first I had full confidence in the legislative assembly—a confidence which has been justified by its actions. So far it has taken a conservative form, and I have no doubt it will continue its useful and patriotic and diligent course. I have yet to see or hear a single member who does not apparently feel a full sense of the responsibility of his duties toward his constitution and country, and I am sure that conservatism rather than radicalism will continue to mark the official conduct of this body. I leave the Philippine Islands with renewed confidence in the future of the islands.

That brave man, that loyal American citizen, beloved by all his countrymen, Hon. CHAMP CLARK [applause], the Speaker of this House, expressed his sentiments as follows:

The Philippines should be given their independence guaranteed by the United States and such other powers as are willing to join us. If no other powers are willing to join us, I think our own guarantee would be sufficient, but I am for freeing them regardless of what the other powers do.

But we are asked, Are not the people of the Philippine Islands exceedingly illiterate? I answer not so illiterate as the people of many other lands. The World's Almanac of 1913 gives the following table as showing the illiteracy of countries named:

Philippine Islands	55.5
Portugal	73.4
Bolivia	82.9
Brazil	85.2
Costa Rica	80.2
Guatemala	92.7
Mexico	75.3
Peru	86.5
Cuba	56.8

Some of the testimony cited by me is taken from the hearings before the Senate committee and a part of it is derived from other sources as stated in my remarks. Has not the time been reached when all this subterfuge called by some altruism should cease lest we incur the contempt of the civilized world? I commend to those who desire to retain the Philippine Islands the frank language of Senator LODGE in his speech as presiding officer of the Republican convention at Philadelphia in 1900:

We make no hypocritical pretense of being interested in the Philippine Islands solely on account of others. While we regard the welfare of these people as a sacred trust, we regard the welfare of the American people first. We see our duty to ourselves as well as to others. We believe in trade expansion.

But when you consider alone the welfare of the American people and examine statistics you will find that your unholy greed for gain has carried you far amiss.

Hon. WILLIAM A. JONES, chairman of the Committee on Insular Affairs—the best-informed man in this country as to

all matters connected with the Philippine Islands—estimates the cost of holding them in subjection at \$40,000,000 a year, which exceeds the total annual value of the commerce between the Philippines and the United States.

Can you find anyone anywhere—one competent to judge—military expert or otherwise, who will not say that in the event of war with a first-class power these islands would be a source of weakness to us and a constant menace to the prestige of the American flag. In this connection I wish to call the attention of ex-President Taft to the language of ex-President Roosevelt, taken from January Everybodys Magazine, 1915. It is well worthy of his consideration, as he has before heard of ex-President Roosevelt, and ought to pay careful attention to his heedings.

The Philippines, from a military standpoint, are a source of weakness to us. The present administration has promised explicitly to let them go, and by its actions has rendered it difficult to hold them against any serious foreign foe. These being the circumstances, the islands should at an early moment be given their independence, without any guaranty whatever by us, and without our retaining any foothold in them.

Why should I trespass further upon your time and patience by elaborating the testimony. Much was said by other witnesses at the hearings before the Senate committee to correct the gross injustice which has been done the people of the Philippine Islands. Amongst those testifying were Brig. Gen. McIntyre, chief of the Bureau of Insular Affairs, War Department; Mr. Ferguson; Mr. Lang; and others, but I pass them by that I may notice the testimony of ex-President Taft. But before I do so, I will first call your attention to that section of the preamble to the Jones bill to which he is so much opposed. It reads as follows:

Whereas it is as it has always been the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein.

It does not mention self-government, and let us not forget that freedom for any people does not mean the best government as an abstract question. It means the government best fitted to the people governed. I do not suppose that any of us think the inhabitants of the Philippine Islands are as capable to form and maintain a government suited to our conditions and surroundings as would be our own people, but beyond question, according to the testimony taken as a whole, they are capable of establishing a stable government of law and order suited to their own interests and calculated to bring them contentment and happiness.

Mr. Taft said before the Senate committee:

Therefore when you ask me what time I will put on the question of producing self-government out there in making those people over so that they can know self-government and understand the object lesson that they are having, I put the time as will give to those people an opportunity to learn English, so that they can become an English-speaking people, and that will certainly take more than one generation, and probably two, if you count a generation as 30 years.

He thus places the time at 60 years when he thinks they would be capable of self-government. He makes a strange medley of self-government, of constitutional government, and of stable government, and during his testimony quoted from President Wilson's book on Constitutional Government to show what he meant by self-government, stated truthfully and accurately that no one had defined it with more force and more clearness than had President Wilson. I have read President Wilson's book with great care and pleasure, and I say without hesitation that there is not one line in it taken in connection with its proper context, nor one idea expressed, which conflicts in the slightest degree with the justice and wisdom of the passage of the Jones bill. No words ever came from the lips of Woodrow Wilson, nor was a line ever penned by him, which dealt a blow to the liberties of any people. [Applause on the Democratic side.] He has given expression to more lofty sentiment which has exalted the love of home and of country and created in the hearts of men patriotic heroism than any man who dwells to-day upon the American continent. [Applause on the Democratic side.]

I call the attention of Mr. Taft to the last four lines in Mr. Wilson's book on Constitutional Government in the United States, which reads as follows:

A people who know their minds and can get real representatives to express them are a self-governed people—the practiced masters of constitutional government.

I also refer him especially to these words, taken from Mr. Wilson's book, which appear on page 4, where he will find discussed and analyzed the Declaration of American Independence:

Its chief justification of the right of the colonists to break with the mother country is the assertion that men have always the right to determine for themselves, by their own preferences and their own circumstances, whether the Government they live under is based upon such principles or administered according to such forms as are likely to affect their safety and happiness. In brief, political liberty is the

right of those who are governed to adjust government to their own needs and interests.

And Mr. Wilson adds to the above:

That is the philosophy of constitutional government.

Mr. Taft has the reputation of being a great lawyer; and if he is attached to the institutions of our country, as I believe him to be, I would recommend to him to sit at the feet of Mr. Wilson and learn the true theory of this Government and the accurate meaning of the Declaration of Independence. He would not be injured thereby. His lectures on constitutional law would be embellished and would be made more attractive. [Applause on the Democratic side.]

Again he says:

I do not care a cent about the Government of the United States having power out in the Philippines. I would be glad to get out of the Philippines, but what I am concerned about is those poor people out there.

Again he says:

The difficulty about training the Philippines to self-government under the plan outlined in that statement of mine and that I have outlined before the committee is that in making such a promise as that you utterly rob your experiment—

And so forth. And further:

After you have labored 13 years, as I did, to make that government a useful one, it grates on you to have it hit with an ax.

Mr. Chairman, I do not think that Mr. Taft bears malice toward any man under the sun, not even ex-President Roosevelt, but when he says, "But what I am concerned about is those poor people out there," he deceives himself. He is concerned about that "experiment," which has brought no credit to himself or to the Republican Party. Mr. Taft is a magnanimous man, and so great is his attachment to the "experiment," of whose paternity he seems to be proud, that in speaking of the Benguet Road he said:

Now, I am responsible for that road, and I do not hesitate to take the responsibility.

Although an Army engineer by the name of Meade, according to Mr. Taft's own testimony, made a survey and reported that it was possible to build the entire road for from seventy-five to one hundred thousand dollars under the government of the "experiment," this road, which Mr. Taft says was 20 miles long, cost, according to his testimony, more than \$2,000,000. In justice to Mr. Taft, however, it must be said that Mr. Worcester stated before the committee that the road was 28.7 miles long and cost \$1,961,847.05, and that repairs on the road cost \$792,434 up to May 1, 1913.

One witness actually placed the cost of this road, according to Mr. Taft's testimony, as high as \$9,000,000. There was no necessity for the ex-President to assume the responsibility of this road. It is one of the most disgraceful items connected with all that unhappy business with the Philippine Islands. Tell me, pray, what would be thought of the capacity of the Filipino people for establishing a stable form of government if after an estimate had been made placing the cost of the Benguet Road at \$100,000 they had made an appropriation and spent over \$2,000,000 to build it. And let it not be forgotten that this dirt road built to a watering place was designed at first chiefly for the amusement, benefit, and health of American officials at the expense and from the funds of the Filipino people.

Mr. Taft was unwilling to say that this Government had promised those people independence, but was willing to concede that the Democratic Party had done so. He could have paid no higher compliment to that great party, which has ever been the defender of human rights and the advocate of liberty for all people.

In its platform of 1900 it declared the Nation's purpose, first, for a stable form of government for the Philippine Islands; second, their independence; and third, protection from outside interference.

In its platform of 1904 the Democratic Party declared it to be our duty to do for the Filipinos what we had already done for the Cubans—set the Filipinos free and independent to work out their own destiny.

In the platform of 1908 it again favored declaration of the Nation's purpose to recognize the independence of the Philippine Islands as soon as a stable form of government could be established.

In the platform of 1912 it reaffirmed its position, which had been announced thrice before.

There can be no question that the people of the Philippine Islands have a perfect right to suppose that they have been promised their independence by this Government, by everything done and said since we "blundered into colonization," if I may adopt a most appropriate phrase used by Mr. Taft himself

when he was Secretary of War in 1905. In an address before the National Geographic Society in Washington, and quoted in the National Geographic Magazine, August, 1905. In discussing this promise to the Filipinos Mr. Taft said:

Of course what the people of the United States think, we sometimes make a mistake about, I agree.

Mr. Taft is a thoroughly sincere man; no citizen of this country has ever more mistaken the views of its people than has Mr. Taft, as its political history will show.

Mr. MANN, the minority leader upon this floor, when discussing the Philippine question, said:

I am opposed to giving the Philippine Islands independence. Now we have the Philippine Islands. They came to us not by our taking away their independence. We did not seize them. We took them from Spain. It is our business not only to keep them under our flag but to make them want to stay under our flag.

Strange and remarkable words to be heard in a free Republic when all the facts as to our acquisition of the Philippine Islands are so well known to the entire world. Memorable words spoken by a recognized leader of a great party and indorsed in principle, if not in express language, by an ex-President of a free Republic, elected by the same party. Not memorable because they carried cheer and comfort to a helpless people 10,000 miles away, who had a right to expect a different message; not memorable because they reflect the sentiments of the American people; the truth is far to the contrary; not memorable because they ignore and trample upon the traditions of this country, regardless of party; but memorable in that they mark a new epoch in the history of the Republican Party, the era when it says farewell to the glorious history of the past, bids good-by to the memories of the lessons taught by our fathers; memorable because they mark with unerring certainty the rapid decadence of the Republican Party, when two of its most distinguished leaders, if to be judged by their statements, regard trade expansion and colonial empire as above a nation's promises and its most sacred honor. [Applause on the Democratic side.]

If this Republic could not live half slave and half free, tell me how it will fulfill the high destiny for which it was intended by Providence with millions of men 10,000 miles away held in bondage against their will, with no voice in the Government which controls them.

I know of no greater responsibility which any man in this Republic can assume before the bar of posterity than the denial of liberty to any people. If the judgment of the minority leader on this floor and of ex-President Taft as to what national policy will best promote the grandeur and glory of our common country is to be best tested by their views as expressed upon this question, it will be found far from correct.

The greatness of the American Republic does not rest upon the accumulation of colonial possessions, however alluring to some they may seem to be. Within itself it is a mighty empire, the wonder and admiration of the world.

Great and wonderful as are the material and natural resources of our country, its chief excellence will not be found in them, but it will be discovered in the Constitution of our common country and in its legal institutions, which give every man the same advantages and opportunities for advancement in life. This is its chief excellence, the most radiant jewel in its crown of glory. Long may it survive, and may its greatness in the ages to come be recognized by the equal diffusion of its blessings amongst all its people, by its justice in dealing with weaker nationalities, by the good it has wrought, and by the happiness it has brought to all humanity.

In conclusion I give as my answer to the gentleman who filed the minority report, which declares that a discussion as to what disposition should be made of the Philippine Islands at the present time is not only impolitic but unwise in the extreme, the words of Woodrow Wilson, in his address at Flag Day exercises in this city:

So it seems to me that it is my privilege and right, as the temporary representative of a great Nation that does what it pleases with its own affairs, to say that we please to do justice and assert the rights of mankind wherever this flag is unfurled.

[Loud applause.]

Mr. LEVER. Mr. Chairman, I will ask the gentleman from North Carolina to yield back his time.

Mr. STEDMAN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back 17 minutes.

Mr. McLAUGHLIN. Mr. Chairman, at the request of the gentleman from Iowa [Mr. HAUGEN] I yield 20 minutes to the gentleman from Minnesota [Mr. ANDERSON]. [Applause.]

Mr. ANDERSON. Mr. Chairman, on the 1st day of last August the working balance in the Treasury of the United

States exceeded \$120,000,000. This morning, and for some mornings past, the Treasury statement shows that that balance has been hovering around \$60,000,000. This statement but feebly expresses the story of Democratic extravagance and efficiency of the last 18 months. We are facing the necessity of finding new subjects of taxation or issuing bonds. Despite the imposition of an income tax upon all incomes in excess of \$4,000, despite the repeal of the exemption of \$5,000 in favor of the small corporate businesses of the country, notwithstanding the imposition of a war tax imposing a burden upon policies that insure the crops, the homes, and the lives of our citizens—in spite of the imposition of annoying taxes upon everything, from quinine pills to toilet soap, from marriage certificates to coupon bonds; despite the overrunning of the country by a horde of tax-gatherers; despite all of these annoyances and impositions in time of peace, the balance in the Treasury has decreased month by month and day by day. That decrease has averaged up to date about \$10,000,000 a month.

From the beginning of the present fiscal year, while our revenues have been decreasing the expenditures of the Government have increased more than \$12,000,000 compared with last year, and those expenditures month by month have exceeded the receipts of the Government by more than \$14,000,000 per month. And yet in the face of this decrease of revenue we are confronted again in this Congress by estimates for appropriations equalling or exceeding the amounts appropriated for the last fiscal year. Take, for instance, the bill under consideration. The estimates submitted by the department for the fiscal year 1916 exceed the estimates for the current year by \$1,644,000. They exceed the appropriations for the fiscal year 1915 by \$841,000, and the appropriations for 1914, the last appropriation made during a Republican administration, by \$2,719,000. Now, Mr. Chairman, of course the Congress is, in the last analysis, responsible for the expenditures of the Government, and yet the Congress is not wholly to blame for these increases. It can not be expected to hold down the appropriations for the expenditures of the Government within reasonable limits so long as the administration and the departments present estimates for expenditures of the Government exceeding year by year the expenditures of the preceding year.

I was one of the youngest men who ever wiped his feet on the "welcome" mat in front of the Capitol when I came here four years ago. As I look back upon those four years I do not regard my youth and inexperience altogether as a liability, for I recognize now that my very youth enabled me to receive some impressions which I should otherwise not have received, and which experience has ripened into sound conclusions and logical convictions. I remember very distinctly my first impression of the Government departments. It was very much like that I received when I first saw those tremendous locks at the Panama Canal. It was not altogether an impression of the wonderful genius that conceived and operates those great machines; it was not wholly an impression of the wonderful intricacy of that machinery, but it was an impression of its great size and tremendous inertia; of the constructive and operative difficulties that its size alone presented. Sometimes when I pick up one of these books of estimates I have something of the same feeling. Here is a book of estimates of expenditures for the Department of Agriculture. It contains some 200 pages of facts and figures, and yet I defy any man in this House to say from a study of this book and from all the hearings before the committee whether we are getting our money's worth from any one of the appropriations contained in the pending bill. The task is too big and the information too little correlated. Some elements for the determination of a conclusion are missing.

Now, economy is of two kinds, that which consists of cutting down expenditures and consequently curtailing activities either in number or extent; the other kind is that which consists of greater efficiency, better results, or, to put it in the terms of commercialism, increased profits from the same expenditures. I have always thought that it was unfortunate that the economy of Congress must always be of the first kind, for, try as we may, it is a practical impossibility for us to so direct the activities of any department of the Government as to secure greater efficiency. The reason for this is quite obvious. It is that there is in the operations of the departments no incentive to profit, and there is consequently no way of determining, except in the opinion of the individual, whether the department is actually expending the money appropriated for it in such a way as to procure the best results. The operation of the department is administrative. Congress can not control this operation. It can only furnish the funds. The fact of the matter is that we are obliged to, and do, take nine-tenths

of these estimates on faith. I am making these statements because I am a little bit tired of hearing men place the entire responsibility for extravagance upon the Congress, whereas it belongs, in a very large measure, to the administrative departments of the Government.

Mr. BORLAND. Does the gentleman care to be interrupted there?

Mr. ANDERSON. I will be very glad to yield to the gentleman.

Mr. BORLAND. I agree to a great extent with what the gentleman is saying. I think the obligation to economize and to get greater efficiency and greater results out of the money expended is more heavily placed upon the executive departments than upon Congress. I regret very much that we have to frequently cut down the executive departments below the estimates. But does not the gentleman realize, and I think in fairness he will state, that most of the officials of the Agricultural Department are not the choice of the present administration but are men who have been there in service for a number of years and are all of them "hold overs" from the previous administration?

Mr. ANDERSON. I will say to the gentleman that I am not particularly criticizing the Agricultural Department. I use it as an illustration, because I am more familiar with it than any other department.

Mr. BORLAND. Of course, his remarks were directed more particularly to that bill.

Mr. ANDERSON. What I am trying to say is that the psychology or, if I may use that term, the philosophy of the departments with respect to expenditures is such that it tends toward asking and insisting upon increased appropriations without regard to the condition of the Treasury.

Mr. BORLAND. I fully agree with the gentleman.

Mr. ANDERSON. Appropriations for activities that are impracticable and that do not bring results.

Mr. BORLAND. I am very glad to hear that statement made. I realize, as the gentleman does, that the departments ask for a great deal more than they have a right to expect and a great deal more than they do expect, and ask for enlarged activities when we have not the money with which to discharge the existing activities. I realize all that, and I hope the gentleman will emphasize it as fully as possible.

Mr. ANDERSON. Congress is in a difficult situation. As I said in the first place, the only way it can bring about economy is by cutting down expenditures. It can not direct the activities of the department in such a way as to get greater efficiency for the same amount of money, and if it does cut down the expenditures it lays itself open to the charge of curtailing activities which are necessary. In other words, it has to take a chance.

I was about to say that when I was a boy I had a very distinct inclination toward mathematics, and so these estimates for appropriations have furnished me with a number of interesting studies. I have compiled a table making a comparison of the estimates for the coming fiscal year, both as to the total appropriations, the amount expended for the fiscal year 1914 and proposed to be expended for salaries under the estimates for this bill, and the amount expended or proposed to be expended for traveling expenses. I have done this for the purpose of determining in a general way the trend of the increases asked for by the department. The first comparison contains a compilation of the estimates of the expenditures for various activities of the Government, some 12 in number. These include crop estimates, plant quarantine, agricultural-land classification, and others.

The total of the estimates of appropriations for these activities for the fiscal year 1916 is \$1,878,861. The amount expended for the same activities for the fiscal year 1914 was \$1,139,000. Of the amount proposed to be appropriated for the coming fiscal year \$1,171,000 is for salaries and \$465,000 for traveling expenses. Of the appropriations for 1914, \$771,000 was for salaries and \$231,000 for traveling expenses. To make the trend of the expenditures clearer to the mind it is perhaps better to state them in terms of percentages. The increase in the total in the estimates for 1916 over the amount expended in 1914 was 64 per cent, and the increase for salaries was 51 per cent, while the increase for traveling expenses was 101 per cent. In other words, while the estimates for salaries have increased 50 per cent, the estimates for traveling expenses have increased 100 per cent.

Now, I have here another table containing some nine activities of the Government, including the appropriation for the dairy industry, pathological laboratory, the investigation of fruit diseases, and several others. I will not undertake to give

the figures, but merely the percentages of increase. The estimates of appropriations for the fiscal year 1916 show an increase over the expenditures for 1914 of 5 per cent only in these particular activities. Although there is an increase of 5 per cent in the total amounts proposed to be expended, 10 per cent less will be expended for salaries than was expended in 1914 and 68 per cent more will be expended for traveling expenses.

While I recognize that figures do sometimes lie, and that it is possible to draw conclusions from compilations of figures which are not wholly justified, at the same time it is, I think, a fair conclusion from these figures that there is too much sending out to California, and to Washington, and to Minnesota, and Nebraska, to have the employees of the department come into Washington and talk things over. I think there is too much tendency to send men from the department out into Montana, Wyoming, and Texas to talk and look things over. The estimates were not pared as closely as it seems to me the condition of the Treasury required. There certainly is not the natural increase in the cost of traveling in the last two years which would justify any such increases for traveling expenses as are proposed in these estimates. Some of the proposals with respect to traveling expenses are, if anything, incongruous. Take, for instance, the estimates on page 13 for farm-management work. The expenditures in 1914 were \$366,000. The amount was reduced under the present estimates to \$240,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McLAUGHLIN. Mr. Chairman, I yield to the gentleman from Minnesota 10 minutes additional.

The CHAIRMAN. The gentleman from Minnesota is recognized for 10 minutes more.

Mr. ANDERSON. I thank the gentleman for the extension. I will endeavor to get through in that time.

Of the \$366,000 expended in 1914, \$286,956 was spent for salaries and \$51,859 for traveling expenses, while of the \$240,000 to be spent in 1916, only \$146,516 will be spent for salaries and \$65,000 for traveling expenses.

To make it a little plainer: \$140,000 less will be spent for salaries and \$14,000 more for traveling expenses.

These examples are by no means unique.

The increases proposed by the Department of Agriculture for the fiscal year 1916 as compared with the expenditures of that department for the fiscal year 1914 are not confined to traveling expenses. There have been numerous increases of salary allowed and paid out of the lump-sum appropriations carried in the bill. For instance: In 1914 27 salaries of \$1,500 or over were paid out of the appropriation for dairy investigations. The present estimates provide for 39 salaries of \$1,500 or over to be paid from that appropriation. Again, in 1914, 8 salaries of \$1,500 or over were paid out of the appropriation for investigation of cotton and truck-crop diseases. The present estimates contemplate the payment of 16 salaries of \$1,500 and over from the appropriation. In 1914 there were paid out of the lump-sum appropriation for field investigations under the Bureau of Crop estimates, 15 salaries of \$1,500 or over, while the present estimates contemplate that 43 salaries of \$1,500 and over will be paid out of that appropriation. There are many other similar increases, either effective or proposed, which do not seem to be justified by the present financial conditions of the country. And I could go through these various estimates one by one and show where the same incongruity occurs time and time again. What I am trying to point out is this, that with estimates of this sort before the committee and before the House, it is absolutely impossible to expect that the House can exercise such supervision and control over the expenditures of the department as will result in greater economy, more efficiency, and better results.

A year ago the department proposed a reorganization of its various activities, with a view to securing a greater coordination and cohesiveness of its various branches. In a speech I made at that time I said that some of us had felt for some time that there was something wrong with the management of the Agricultural Department, and that I was very glad the department itself had come at last to recognize that some reorganization of its activities was desirable. But I expressed the doubt then that any reorganization which it might propose would effect any very great economy or any very considerable increase of efficiency.

This bill is based upon the reorganization proposed by the department. I think it may be fairly said with respect to this reorganization that it entirely confirms the doubts which I expressed a year ago. It has not resulted in reducing the number of employees of the Government by one. It has not resulted in reducing the estimates for the expenses of the department by a single dollar. On the contrary, we are confronted by the same old proposal for an increase.

I am frank to say that I do not know just how we are going to redirect the activities of the department so as to secure at one time decreased estimates and greater efficiency, and yet I have an impression, confirmed by experience, that there is a very great necessity for a reorganization which will direct the activities of the department into more practical lines.

I am inclined to think that too much money is spent in investigational work and too little, proportionately, in carrying the practical information developed by these investigations to the farmer. I have a notion that too often the investigations and experiments of the department are carried out under such artificial conditions as to make the conclusions, experience, and methods drawn from them useless when they are applied to normal conditions. In other words, that the farmer can not duplicate the artificial conditions under which the experiments or demonstrations are carried out and therefore can not hope to get the same results.

I feel that the department itself can do a great deal to make its activities useful to the farmer in a more practical way, and should be able to reduce the amount required for its services by a careful reorganization of its work, with a view to promoting economy of administration. But Congress will be able to do very little toward reducing the aggregate expenditures of the Government until the departments and the administration are brought to a realization of their joint responsibility with the Congress for its expenditures and some system is devised which will insure that proposed expenditures will bear some relation to expected receipts.

I am not particularly advocating at this time a curtailment of the appropriations for the Department of Agriculture. I do not think it would be possible to pick out a time when it would be less expedient to curtail the appropriations for the department than now. The conflict now being waged in Europe means that upon America particularly will fall the burden of feeding the world, and we shall have need during the next year for the exercise of all the genius of mind and of hand, for the exercise of all the strength of intellect and of body which the American farmer can put forth. We will need all the help the department can give us in this task. I have merely tried, in a somewhat philosophic way, to point out the necessity for a general change of attitude on the part of the department itself toward the activities in which it is engaged and toward the Congress, which must supply the funds for these activities. It would not be fair to give the impression that the Department of Agriculture is any more extravagant or remiss in the amount and character of its estimates and expenditures than other departments of the Government, and I do not intend to convey that impression.

Mr. LEVER. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Minnesota yield to the gentleman from South Carolina?

Mr. ANDERSON. Certainly.

Mr. LEVER. I think I fully understand the position of the gentleman from Minnesota; but I had a fear in my mind that probably some one, listening only casually to his remarks, might get the idea that his criticism went to this particular bill. As I understand, the gentleman's criticism goes rather to the manner of conduct of the Department of Agriculture, and not to the terms of this bill?

Mr. ANDERSON. Quite so. I am not criticizing the committee or the bill. The committee has made a very honest effort to keep the expenditures down just as closely as it could without curtailing the activities of the department unduly. I think it could have done more if it had had greater co-operation from the department in its efforts to exercise economy.

Mr. BOOHER. Mr. Chairman, will the gentleman yield?

Mr. ANDERSON. Yes.

Mr. BOOHER. Has the gentleman discovered in this bill any attempt on the part of the committee to correct some of the abuses of which he has been complaining?

Mr. ANDERSON. Well, of course the gentleman knows that legislation is not in order on this bill, and besides we have not the information at hand upon which to base such legislation.

Mr. BORLAND. As I understand the point that the gentleman makes, it is that the department ought to exercise a greater supervision over its expenditures and estimates and furnish the committee with information upon which a change could be made, and that the conduct of the department has been quite the reverse of that.

Mr. ANDERSON. That is exactly the point I make.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. ANDERSON. Under leave to extend my remarks, I append the following table, from which the figures in my remarks are taken:

Page.		Total appropriation.		Salaries.		Traveling expenses.	
		1916	1914	1916	1914	1916	1914
142	Crop estimates, Field Investigations.....	\$148,356	\$101,100	\$76,740	\$63,979	\$69,103	\$33,751
156	Farmers' cooperative demonstration.....	668,020	375,000	546,991	289,945	106,240	64,647
173	Marketing and distributing farm products.....	301,465	50,000	131,280	31,077	96,970	7,592
178	Plant quarantine.....	50,000	40,000	25,115	22,218	13,930	7,098
135	General experiments, Biological Survey.....	13,320	8,377	3,250	8,377	1,000	373
134	Biological investigations.....	26,500	15,900	17,361	11,418	7,500	3,482
133	Food habits of birds and mammals, Biological Survey.....	95,000	45,000	42,720	30,083	28,000	8,276
128	Preventing spread of moths, Entomology.....	310,000	300,000	215,000	214,218	70,000	60,082
124	General experiments, Entomology.....	69,000	50,000	34,500	33,655	17,500	10,700
109	Miscellaneous investigations, Bureau of Chemistry.....	14,000	36,000	11,000	26,396	1,000	264
96	General experiments, Forest Service.....	85,000	53,558	34,000	21,843	25,500	15,451
95	Agricultural land classification, Forest Service.....	100,000	64,356	34,000	20,000	29,000	19,307
	Total.....	1,878,661	1,139,291	1,172,057	770,209	465,740	231,023
13	General experiments, Farm Management.....	240,000	366,203	146,516	280,956	65,000	51,859
33	Dairy industry, Bureau Animal Industry.....	258,000	177,900	143,745	119,461	73,120	35,222
52	Pathological laboratory, Bureau Plant Industry.....	37,000	30,000	27,001	23,308	4,200	2,317
53	Fruit diseases, Bureau Plant Industry.....	58,255	40,675	39,700	27,887	12,500	7,663
53	Forest pathology, Bureau Plant Industry.....	67,950	29,510	42,175	17,310	22,775	6,212
54	Crop physiology, Bureau Plant Industry.....	47,040	33,380	24,000	19,197	12,650	7,825
60	Cereal investigations, Bureau Plant Industry.....	94,505	74,925	67,407	58,852	15,520	8,392
63	Beet-sugar investigations.....	41,495	38,495	21,140	25,840	14,355	7,781
68	Foreign seed and plant introduction.....	75,403	83,000	33,327	50,730	18,000	13,877
	Total.....	919,645	874,085	545,011	629,541	238,120	141,145

Mr. LEVER. Mr. Chairman, I yield 30 minutes to the gentleman from Texas [Mr. SUMNERS].

The CHAIRMAN. The gentleman from Texas [Mr. SUMNERS] is recognized for 30 minutes.

Mr. SUMNERS. Mr. Chairman, I make no pretensions to being an authority upon agricultural matters, but I am deeply interested in them and have given much effort to an attempt to know something of them. I am especially interested in developing a rural credit system and better methods of marketing farm products. At this time I want to direct the attention of those who have assumed the responsibility of writing a rural-credit bill to some of the dangers which beset that undertaking. Recently we sent a commission to Europe to study rural credits, and the country has been filled with statistics gleaned from the experiences of the European organizations; but, Mr. Chairman, there can be no question but that the economic, industrial, and social conditions which obtain in America and those which obtain in Europe are so dissimilar that it would be disastrous to accept the European experience as a guide for the construction of our system. We do not so much need to go to Europe for information as we need to get into the very life of the farmers of America, to know their difficulties and what part of the general task they may be trusted to discharge. The German system of rural credits is presented to us as the best among the European systems, and it is; but, Mr. Chairman, the German system of cooperative farm credits rests upon a foundation not one stone of which can be found in America. The German and other European systems rest upon community and class solidarity, permanency of residence, centuries of training in cooperation and conservation, and a system of laws and a condition of public sentiment which will not tolerate failure to discharge contracted obligations. Speaking generally, not one of these obtain in America.

Mr. JACOWAY. Will the gentleman yield there?

Mr. SUMNERS. Yes.

Mr. JACOWAY. I will ask the gentleman if it is not a fact that in Germany, when default is made, there is practically no delay in divesting the party in default of title?

Mr. SUMNERS. That is true, but I am endeavoring to direct the attention of Members to those differences between Germany and the other European countries, on the one hand, and America, on the other, differences which must not be ignored, nor can a substitute for European conditions be supplied by enactments of legislative bodies. They are differences fundamental and fixed upon which rest the whole superstructure of their laws and institutions. In Germany, for instance, the inhabitants of the rural communities have lived in their respective communities all their lives and their ancestors before them for generations past. The whole community is bound together by ties of relationship and of intimate association. When a man changes his place of residence he must get his clearance papers before leaving and report to the police department at the place to which he goes. There is practically no property exemption from payment of debt; my impression is there is none. Besides, a man who fails to pay his obligations and throws the burden upon his neighbors, except in a case where unavoidable misfortune has incapacitated him, would become a social outcast,

with no place in his native land where he could hide his shame. The spirit of conservation has been bred into the very bone of that people, minimizing the danger of loss of productiveness of land during the period of amortized payments. These people live in villages; their units of land tracts are strips of from 50 feet to 200 or 300 feet wide by some 450 feet long. A man owning 50 acres may have 20 or more disconnected tracts with different abutting ownerships, of course. I have seen strips 100 feet wide have as many as three different farm crops growing. These people, therefore, live close together; they work side by side, each one coming into close touch with his neighbors. In home life they cooperate and in the culture and harvest of crops they cooperate. But there is something more potent than all this; these people are peasants; their class isolation drives them back upon each other into class solidarity. When testing the value of European experience we must not lose sight of the dissimilarity of conditions. Mr. Chairman, I am not undertaking an analytical discussion of the great subject of rural credits. That subject is so comprehensive that it is impossible to analyze it in the time which the House could afford to allow to a single discussion by any Member. Therefore instead of dealing with the entire subject I am undertaking to give the committee my view of some of the more vital things to be considered in shaping this legislation. The foundation of the whole scheme and life-giving force of the whole scheme in this country must be the local organization.

The local organization will come in direct contact with the individual borrowers, negotiate with them for the credits, sell this credit, and be the first guarantor thereof and the final payor in the event of default upon an uncollectable claim. These local organizations must furnish, in addition to all the business, not only capital to margin all credits sold but the capital of the organizations above them resulting from a confederation or association of organizations. Yesterday the gentleman from Georgia [Mr. HOWARD] in the discussion of his bill made many good suggestions. His bill has many good features, but it contains one provision which, if retained, would absolutely destroy all chance of success in Texas. He proposes to limit the dividend to stockholders to 6 per cent. In Texas and in many other States the current interest rate is as high as 8 per cent. Under his bill the stockholders would have no advantages over non-stockholders in procuring loans. Therefore the farmers of my State would not invest money which now brings 8 per cent in this stock which would only earn 6 per cent and would carry with it an additional liability equal to the amount of stock. All the bills provide that this initial capital stock shall be paid for by individuals. Their subscription must be a voluntary act, of course. The stockholders will be taking the risk, putting up their money and, in addition, their credit to the amount of the stock as security for the debts of others; and they will not do it with a limit of 6 per cent dividend.

Mr. Chairman, one of two things must be done. The rate of dividend must be raised to at least the current rate in the several sections where the organizations are to be located or the subscription for stock in the local organization must be made a condition precedent to procuring a loan through it.

Mr. HARDY. Will the gentleman yield?

Mr. SUMNERS. Certainly.

Mr. HARDY. The gentleman has selected the very weak point that I myself thought I found in the proposition of the gentleman from Georgia, and I do not think he is very much wedded to that 6 per cent limitation; but I want to suggest to the gentleman from Texas that a better cure of that defect, instead of requiring each borrower to become a stockholder, would be to take off that limit of possible profit that might come to the stockholder by way of dividends until such time as the organization might buy back its stock.

Mr. SUMNERS. I thank my colleague for the suggestion, and am glad to note that my opinion is supported by his judgment as to the danger at this point. While I realize that there must be a reasonable profit upon investments in stock in order to attract the necessary money to their purchase, I am equally certain that all possibilities of speculative gain must be eliminated so that those who patronize the association will derive all the benefits from its operation above a reasonable revenue as a dividend upon the money invested in the capital stock of the association.

Mr. YOUNG of Texas. Will my colleague yield there?

Mr. SUMNERS. With pleasure.

Mr. YOUNG of Texas. I thought one of the fundamental principles underlying this legislation was to find some system of lowering the rate of interest to the man who wants to borrow the money, and if you are going to build up a system which raises the rate of interest to the current rate, how is that going to benefit the men who need to be benefited?

Mr. SUMNERS. I am glad my colleague asked that question, because if there is any misunderstanding about that on the part of gentlemen present it ought to be corrected. The rate of interest I speak of is not the rate of interest which the borrower will pay, but the rate of interest which is to go to the man who puts up the money for the capital stock of the local organization, which money is really a fund to secure or margin the loans sold. The gentleman from Texas will remember that as the gentleman from Georgia [Mr. HOWARD] outlined his plan yesterday it provided that the loans with a local institution may procure may be fifteen times the total capital of the local organization. Now, somebody has to put up the capital of the local organization and take the chances on its loss and, in addition, a chance on having to pay an amount equal to this capital, because some one else defaults.

You can not compel the individual farmer to do this. You can only induce him to do it by giving him a promise of satisfactory return. No man will take his money out of an investment that is paying 8 per cent interest and put it into an investment that will pay him 6 per cent, and carries a liability besides. But I want to direct the attention of Members of the House to the facts that when you figure it out, if the loans are fifteen times the total capitalization, the difference in the rate to the borrower when the dividend is 6 per cent and when it is 10 per cent, even, would be about one-fourth of 1 per cent.

Mr. Chairman, I want to direct attention to one more vital point in this legislation. If the benefits of this proposed law are not limited to home builders, and we succeed through it in getting cheaper loans, as we hope to, it will work just the opposite result to that which the friends of this legislation want, and violence will be done to the Government philosophy which justifies this legislation. The man to whose help our patriotic duty calls us is the one struggling to get a home. We want to be careful that in an attempt to help we do not increase his difficulties. Let me illustrate the danger. A man in Texas owns 1,000 acres of land, worth \$40 per acre, in a section where the interest rate is 8 per cent. There is an adjoining 1,000 about to come on the market. Ten families each expect to purchase 100 acres of this tract. We enact this law without limitation as to borrowers, and let us say 5 per cent money is made available. This land would advance probably above \$50 per acre. The man owning the 1,000 acres could borrow 50 per cent of its value at 5 per cent, pay this amount down on the other 1,000 acres, and borrow the remaining 50 per cent on this land, thus paying for it entirely with 5 per cent money, whereas those not land-owners would have to invest 50 per cent of 8 per cent money, less some reduction incident to cheapening of real estate loans, and that, too, in land much increased in value because of general opportunity to get cheap money on land security. I am certain, Mr. Chairman, that if the whole system did not break down under the demand resulting from a riot of speculation in land, the value at which it would sell would make it more difficult than now for a poor man to get a home. There is no demagoguery in this gentleman. The man I want to help is the fellow trying to get a home.

Mr. TRIBBLE. If the gentleman has not time to make a full explanation at this time, I wish he would extend his remarks and explain it, because I do not understand how a man can invest his money in an institution and draw out 12 per cent on it, and loan that money to the farmer at 4 per cent, to save my life.

Mr. SUMNERS. Let me take another try at it. The 8 per cent interest is not on the loan to the farmer. That money is but a small part of that loaned to the farmer, and in this plan is not considered primarily as loanable capital. It is put up to margin or further secure the loans that are sold for the farmers through the organization. When these loans have been margined by this capital-stock investment, they go into the market and are sold for as low a rate of interest as the market will permit.

Mr. HARDY. Will the gentleman from Texas yield for a suggestion by way of answer to the gentleman from Georgia?

Mr. SUMNERS. I yield.

Mr. HARDY. It seems to me that as we all understand, the stockholders of the national banks to-day received on their investment more dividends than the rate of interest charged by the bank. The bank may charge only 8 per cent interest, and yet every stockholder may receive a dividend of 20 per cent, because the bank loans the money several times over, and that would be the case here.

Mr. HULINGS. Will the gentleman yield?

Mr. SUMNERS. I will.

Mr. HULINGS. Is the gentleman in favor of Government aid? I want to suggest that if the gentleman is opposed to Government aid in a system of farm loans, it means that you go to the money-lending class to get your money, and if you do that, will not you have to pay the money-lending class the going rate of money?

Mr. SUMNERS. No doubt about that, but it is true that the going rate of interest for securities put upon the markets under the restrictions and safeguards provided by each of the bills introduced should be less than the individual borrower now pays, but not as low as the rate would be with the aid which the Government could safely render. I believe every Member must agree to that. What ought the Government to do? What is the correct viewpoint from which to consider the Government's duty? Certainly we do not approach the consideration of rural-credits legislation as we did the enactment of the Federal reserve act. There we were constructing the financial machinery to facilitate commerce, and so forth. We gave aid then. Now we are considering legislation which reaches to the foundation of the Nation. I believe every student of the philosophy of government will agree that the home—not the rented home, the ties with which can be severed at another's will—is the foundation upon which governments rest. There are but few great outstanding revelations made by history. One of the greatest is that no civilization has decayed or government gone to wreck when its lands were lived upon and cultivated by the people who owned them. Therefore when a nation comes to enact legislation which will help men to get homes for themselves it is legislating not for the individual but for the nation itself.

Mr. JACOWAY. Will the gentleman yield?

Mr. SUMNERS. Yes.

Mr. JACOWAY. We understand that there are three great classes of credits—speculative, consumptive, and productive. Under the gentleman's theory of a bill of this kind, would he loan money on any kind of credit except productive credit?

Mr. SUMNERS. I would not hesitate to lend on vacant land being purchased for occupancy as a home, for while it would not be actually productive, it would be potentially productive. But I would not lend on all productive lands, as I have tried to make clear. Pretty nearly all I have is invested in a farm. I love to dream of the day when I can live there. But I never will, so long as I am in Congress, give my vote to any legislation which would tend to increase land ownership by nonoccupants in this country.

Mr. PLATT. Will the gentleman yield?

Mr. SUMNERS. I will.

Mr. PLATT. Does not the gentleman think that if the Government lends money to farmers at a lower rate of interest than the going rate, that that would increase the value of the land and benefit the landowners?

Mr. SUMNERS. It would incidentally benefit the landowners, but if you limit the direct benefits of this bill to the man who wants to buy a home to occupy it or who, having purchased, wants to improve it, you will reduce to a minimum the benefit to the landowner.

Mr. PLATT. Mr. Chairman, I would say in answer to that, suppose I owned a thousand acres of land and wanted to sell it. It would be very easy for me to arrange some scheme by which I could sell a lot of that land to my workmen, in a nominal way, at a higher price than I could get in any other way, if they could borrow money at a lower rate of interest than anyone else could borrow it.

Mr. SUMNERS. Mr. Chairman, if the gentleman can help his workmen to get a home and, incidentally, get a little more value for his land, I would have no objection to it, but when this bill is finally written I am going to offer an amendment, if the provision is not already in the bill, which will put in the penitentiary every man who undertakes to steal the benefits of the bill. I am willing that the gentleman should get his incidental benefits, but I want the home builder to get the direct and chief benefits from this legislation, not because I have any prejudice against the landowner, but because my duty to the American Nation demands that this legislation be fashioned so as to give the benefits to the home builder.

Mr. OGLESBY. The gentleman means the speculators that undertake to steal.

Mr. SUMNERS. Yes.

Mr. OGLESBY. And not the home buyer.

Mr. SUMNERS. Oh, he is not stealing. The man who builds a home renders the greatest service to this Nation that anyone can render.

Mr. HULINGS. Mr. Chairman, I would like to ask the gentleman a question. I would like to have him explain to the House, if he can, how you contemplate in all these bills that have been introduced here securing money through organized farm-loan banks in communities that are desperately in need of money? How are you going to make a wig without hair? If those farmers were able to organize banks, they would not be paying 8 and 10 and 12 and 15 per cent interest upon loans in this country as they are in many places to-day.

Mr. SUMNERS. Mr. Chairman, I believe that there is enough local capital in my country, in each community, to organize a bank, but not enough money to purchase the credits which may be offered for sale. Powerful influence may interfere in the markets where these credits will be offered. Ought the Government to render aid, I have been asked? I hope the gentleman who asked the question will pardon me for attempting to establish a proper viewpoint from which to consider the Government's duty before answering the question.

Mr. Chairman, I am speaking deliberately when I say that I believe Government aid will be necessary and that the Federal Government and the States ought to go to the limit of necessity to make this thing a success. The condition of public sentiment now presents a supreme opportunity to the Government. You know that the census of this country shows that the relative number of home owners is being reduced. It shows that the people out in the productive areas are being relatively decreased, and in proportion as the number of home owners in any country is reduced, the foundation upon which government rests is weakened. This is not a theory; it is a clearly demonstrated fact. Yesterday we appropriated over a hundred million dollars for the Army. I declare to you gentlemen, with the support of human experience, that a citizenship of home owners is a greater protection against internal and external dangers than a mighty standing army.

Mr. QUIN. Did the gentleman ever hear of a man going out and fighting from a boarding house or a rented farm?

Mr. SUMNERS. I do not know but that perhaps some of them did; but the man will not fight as he would when he is fighting for his own fireside.

Mr. Chairman, I have been trying to touch the high points in this rural credit system, as I understand it. I have about exhausted my time, but before resuming my seat I want to direct the attention of the Members present to the fact that this demand for rural credits is only one manifestation of the general demand for the improvement of the economic conditions which surround the business of agriculture. No system of personal credits can be developed in America save as it is developed in connection with an improved system of marketing farm products. I can not discuss that now. That is a fact, however. An improved system of marketing farm products is the most urgent need now presented to the American people and a recognition on the part of the people who live in the cities that this is not a problem of the farmer only, is a thing soon to come.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SUMNERS. I wonder if I have two minutes more.

Mr. LEE of Georgia. Mr. Chairman, I yield the gentleman two minutes.

Mr. SUMNERS. Mr. Chairman, the time has come when the people in the cities must pay the people in the country as much net profit as they could get in any other business. I can not elaborate that now. In addition to the high interest rate you must pay every dollar of the value of the millions and millions of dollars' worth of stuff that rots on the sidetracks, where it has become stranded while engaged in a fruitless search in the dark for a purchaser. You must pay in the price of the stuff you eat for that which is destroyed, and you had better come along and help those of us who represent the boys in the forks of the creek to work out a system that will get to you these things that are produced in the country. Just one other thing. The time is not far distant when you are going to go to the cupboard and find that there is nothing there for breakfast. The fact that the surplus which we brought over from the days of community independence is being eaten ought to arouse the country from one end to the other. Your cattle and hogs are being decreased and everything you have to eat is being decreased, and still the population is moving with tremendous velocity toward the great centers of population. In trying to improve marketing conditions I am not working only for the farmers of my country but for the teeming millions in your cities. These are problems of great magnitude and great difficulty pressing urgently for solution. As I said before, we do not know how to solve them yet, but we have no time to spare. We must marshal this information. You know a little something about it and I know a little something about it. We must get it together; we must forget that we are Democrats and Republicans, forget that we live in a city or in the country, and remember only that we are American citizens and have a great service to perform for this country of ours.

Mr. LEE of Georgia. Mr. Chairman, I yield 30 minutes to the gentleman from Alabama [Mr. HEFLIN].

Mr. ANDERSON. Mr. Chairman, I would like the gentleman to defer that for a moment, in order that I might yield to some one on this side.

Mr. LEE of Georgia. Very well.

Mr. ANDERSON. Mr. Chairman, on behalf of the gentleman from Iowa [Mr. HAUGEN], I yield 10 minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. Chairman, I desire to call attention to features of this bill which have always attracted considerable discussion here when the appropriation bills for agriculture have been before the House in the past. On page 22 is an item—

For the purchase, testing, and distribution of new and rare seeds; for the investigation and improvement of grasses, alfalfa, clover, and other forage crops—

And so forth, aggregating \$119,000.

Then, again, on page 23—

For purchase, testing, and congressional distribution of valuable seeds, bulbs, etc., \$252,540."

Which is known as the congressional distribution of seeds. The chief trouble with the distribution of garden and flower seeds is that the farmers and others who receive them get something of only nominal value, something which they could buy at the nearest town for a few cents, and there is no question of superior quality involved, nor is there any question of convenience involved in it. I want to call particular attention to the fact that the money spent in the past by the department under appropriation items for the distribution of new and rare seeds has resulted in giving to a number of farmers in each district seeds of special value, seeds which they could not otherwise get, seeds which are not for sale ordinarily in the towns and villages and sometimes not even in the cities. A good illustration of that is the Durham wheat, which the department a number of years ago secured abroad and distributed. It took some little time for that wheat to find its place, but now it brings the highest price of any wheat on the market in the United States. Now, to one who has not given any particular thought to this question and the cost of sending out these small, inexpensive packages to the farmers and those living in towns, he would be surprised that it costs the Nation \$252,000 yearly. For a number of years the annual reports of the Secretary of Agriculture contained recommendations that this distribution be dispensed with. I do not find it in the present report of the Secretary of Agriculture, but that may be on account of the fact that he has ceased to have any hope or faith that Congress will ever discontinue the distribution of the flower and garden seeds.

Mr. LA FOLLETTE. Will the gentleman yield?

Mr. YOUNG of North Dakota. With pleasure.

Mr. LA FOLLETTE. Do I understand the gentleman to intimate that the expenditure of \$252,000, out of more than one billion dollars that is expended annually by this Government, for seed to be distributed among the people who live in the little

towns and the farmers of the country is money thrown away? Does not the gentleman think that brings the Government a little closer to thousands of people who otherwise would not realize that the Government is doing anything for them? Thousands of school children are furnished seeds by Members of Congress for planting in their trial gardens. The requests of different kinds sent to Members of Congress for seeds show that the \$250,000 is not entirely thrown away or wasted. I think it is an education to some of the people and brings them closer to our Government.

Mr. YOUNG of North Dakota. Well, Mr. Chairman, of course it would not be fair to say that the flower and garden seeds which are sent out are without value to those who receive them, but the point I am making is this, That each one who receives a package of seeds gets only what he could buy for a quarter at the nearest town or village. It seems to me the money would be much more wisely expended if we would add what we expend for that purpose now to what we spend for new and rare varieties of seed for the purpose of introducing new things to be grown by the farmer, and thus help to enrich and make agriculture more profitable.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. YOUNG of North Dakota. I yield.

Mr. GREENE of Vermont. I quite agree with the last proposition of the gentleman. I only wanted to suggest, and this the gentleman might consider in answering the gentleman from Washington, whether it was very likely that the people of this country first woke up to the use and were now being encouraged in the use of seed simply because some politicians here in Washington had brought it to their attention.

Mr. YOUNG of North Dakota. Yes; this may have been true of our intellectual predecessors of the dim past, but it is up to us now to be leaders and not trailers, and every farmer in the country can get at trifling cost as good seed as we send to them. I believe we should try to keep abreast with or catch up with the farmers in our districts, who, if they were here, would insist upon our placing in their hands new and rare varieties of seed so that they can develop their lands and make them more valuable.

Mr. GREENE of Vermont. Absolutely so; and the distribution of these inferior commonplace seeds everybody knows is a waste of money, time, and energy and a misapplication of the purpose of the Government.

Mr. YOUNG of North Dakota. An imbecile proceeding, in my judgment.

Mr. LA FOLLETTE. Will the gentleman yield further?

Mr. YOUNG of North Dakota. Certainly.

Mr. LA FOLLETTE. I do not know how it is in the gentleman's district, but in my district I know that hundreds of people are requesting these seeds, and they write back that the seeds are not inferior but that they are superior in quality. [Applause.]

Mr. YOUNG of North Dakota. I do not criticize the quality of the particular seed sent out; I believe they are as good seeds as can be had in the market; but I do believe that they are ordinary varieties and that the farmers can buy seed of a similar quality at a very small cost and without any inconvenience in their own localities.

Mr. LA FOLLETTE. Will the gentleman allow me to interject another remark in his speech?

Mr. YOUNG of North Dakota. Certainly.

Mr. LA FOLLETTE. I came to Congress prejudiced against these garden-seed distributions. The part of the country I came from is a very rich country and the people there would not give a snap for them and they would not raise enough garden truck to be sufficient for a harvest crew for one meal, but after having been here, from the dryer and newer parts of the country, from the poorer people, I got dozens and hundreds of letters begging for these seeds, and I find out that they think they are valuable to them, and that has induced me to change my ideas in that respect quite a little.

Mr. YOUNG of North Dakota. I assume from the gentleman's statement, in his district the farmers as well as the people in towns who raise a garden and have a flower patch out next to the house are not going to change their custom in that respect, no matter what we do here.

I think we can assume that they are going to continue to have their gardens and their flower plots, and now the question is whether we are going to help them get new and rare field varieties of seeds which will make their farming more profitable. It seems to me, at least, that that is the question to which we should address ourselves.

Mr. PLATT. Will the gentleman yield?

Mr. YOUNG of North Dakota. Certainly.

Mr. PLATT. The gentleman from Washington [Mr. LA FOLLETTE] said something to the effect that the distribution of these seeds brings the United States Government close to the individual; that he feels the Government is doing something for him. Is it the gentleman's experience that the man who receives seeds considers they come from the Government of the United States or that they come from the individual Congressman whose name is on the frank? How does the average recipient of seeds regard that?

Mr. YOUNG of North Dakota. That is a question to which I never gave any particular thought. I do not believe that the receipt of a small package of garden seeds by the average citizen in my district is going to excite him very much. I do not think that there is anything in the receipt of that little package of seeds, costing a few cents, that is going—

The CHAIRMAN (Mr. FIELDS). The time of the gentleman has expired.

Mr. ANDERSON. I yield the gentleman 10 minutes more.

Mr. YOUNG of North Dakota (continuing). That is going to inspire, upon the part of the recipient, a greater devotion to or love for his country. Upon the contrary, the thoughtful citizen is apt to consider it an unnecessary, if not an unwise, expenditure of money.

Mr. LA FOLLETTE. Is not this distribution of seed by Congressmen politically a liability instead of an asset, as often suggested?

Mr. YOUNG of North Dakota. My impression is that it is a liability. There is an increasing number of men in my district who consider the distribution of garden seeds either a waste of public money or a senseless proceeding, viewed from the standpoint of its being a substantial aid to agriculture. I recall that last year the editor of the Jamestown Capital told of his experience with Government garden seeds, and he presented what seemed to me unanswerable arguments against the governmental distribution of such seeds. If I had this editorial here I would quote from it, to show how silly and indefensible the whole proceeding seemed to him. Other editors have also expressed themselves, and I have learned to rely upon the newspapers of my district as reliable sources of information or reflectors of the views of the people upon public questions. So, in further reply to the gentleman [Mr. LA FOLLETTE] I want to quote from another editor, Mr. Miller, of the Minnewaukan Siftings. In a strong editorial he wound up with these words, and gentlemen should weigh his words, for I believe he expresses the views of a surprisingly large percentage of the voters of this country:

Government seed is to-day just a donation—

Says Mr. Miller. Continuing he says:

It represents something for nothing, and that is always attractive, even if there is only a quarter's worth of it. That is what it is, and that is how it is regarded. The system is attractive to a few Members of Congress who are able by its use to keep in touch with some of their constituents. The Congressman is not to be blamed for using it in this way. So long as the stuff is bought it might as well be sent out, and every Congressman should see that he gets his share for distribution. The people who receive the seeds are not to blame for doing so. The seeds are paid for with public money, and let every man get his share if he can, and if he has any use for it after he gets it.

And notice this—

But there is blame attaching to Members of the United States Congress who, knowing perfectly well the utter uselessness of this distribution of a petty gratuity, persist in making appropriations for it year after year, and who make the plea in extenuation that they are doing something for the farmer.

Mr. Chairman, our duty seems clear. So far as I am concerned, I shall vote against the appropriation of any more money to buy garden or flower seeds for free distribution. Instead I shall vote to use the money so appropriated in the past for the purpose of introducing new and rare varieties of field seeds to be procured upon this continent or from across the seas. If those of us who believe that way and vote that way are outvoted, and if money is voted for free garden and flower seeds in spite of our votes, then I propose that the people of my district shall have their share. It is of small value, it is true, but so long as this Congress votes money for anything, even if against my vote, I propose that my district shall have its rightful share.

But, Mr. Chairman, is it not about time to lay rough hands upon this venerable imposter, this miserable farce, and costly humbug?

Mr. HEFLIN. Mr. Chairman, before I discuss cotton, diversified farming, and the necessity for a banking system for the farmers of America, I want to say a word in reply to gentlemen who continue to criticize the Department of Agriculture for its efforts to send valuable farm and vegetable seeds to the farmers of the country. Dr. B. T. Galloway gave great attention to this matter, with the view of selecting the very best seed obtainable, and he succeeded in getting a splendid quality, and the seed

now being sent out by the Department of Agriculture are doing good and they are much appreciated by the people who receive them. [Applause.] And I trust that the time will soon come when these gentlemen will consume the time of this House in making suggestions for the practice of economy along other lines rather than that of trying to take the pitiful amount for seed distribution away from a class of people who bear more than their fair share of the burdens of government. [Applause.]

Mr. LA FOLLETTE. Will the gentleman yield?

Mr. HEFLIN. I will.

Mr. LA FOLLETTE. Does not the gentleman really think that this criticism that is being used for political purposes is largely a mistaken idea; that, instead of being an asset to a Congressman, they are, in fact, a liability in the sending of them out?

Mr. HEFLIN. The gentlemen opposing the annual distribution of the best variety of seed that can be obtained by the Department of Agriculture are certainly not representing any considerable number of farmers in this country.

Mr. ANDERSON. Will the gentleman yield?

Mr. HEFLIN. I will for a question.

Mr. ANDERSON. The contention, I think, of those who oppose this particular appropriation is not that it does not do any good, but the money might be expended in other directions which would do a great deal more good.

Mr. HEFLIN. I do not agree with them. The small amount that we expend for seed, Mr. Chairman, could not be used to better advantage. [Applause.]

Now, Mr. Chairman, I want to say a few words about the situation in the South. The European war has injured business in every section of our country, but it has injured the cotton industry of the South most of all; but, Mr. Chairman, our people have just been taught in the school of hardships and bitter experience that the one-crop idea is an evil standing between them and genuine prosperity, and they have registered a vow to break the chains that have bound them to the rock of the old system. I want to say to my Western and Northwestern friends that in refusing to lend us aid last October, when the cotton producer in his distress appealed to Congress for relief from conditions created by war, you threw away a golden opportunity. The South had been content to produce cotton with which to buy your mules, your hay, and corn and wheat and oats.

Mr. PAGE of North Carolina. Mr. Chairman—

The CHAIRMAN. Will the gentleman yield to the gentleman from North Carolina?

Mr. HEFLIN. I will.

Mr. PAGE of North Carolina. I want to ask the gentleman if he does not think that while these people who opposed the measure, to which he refers now, in the last session of Congress may have injured, as he says, their own future, that by doing so they have contributed very greatly to the future prosperity of the South?

Mr. HEFLIN. Yes; Mr. Chairman, that is the thought that I had in mind. The cotton producer had furnished you a market for all these things, and you had it in your power to join us and prevent the sacrifice of his cotton; but, alas! you refused, and in refusing threw away a golden opportunity. [Applause.] If you had helped us to obtain the relief necessary, we would have gone on producing cotton with which to buy your western produce, but your failure to help us has produced conditions that impel the southern farmer in large measure to curtail the production—reduce his cotton acreage for the purpose of producing the very things that he has so long been buying from you. [Applause.] Why should the farmers of Alabama buy corn from the western farmer when Alabama holds the record for producing more corn on 1 acre of ground than any other State in the Union? And, Mr. Chairman, this record-breaking yield was produced in Tallapoosa County, in my district, by Walker Dunson, a 15-year-old boy. [Applause.] Let me say just here, that the largest sweet potato grown in the United States was produced in Autauga County, in my district, last year. Mr. Chairman, we are just beginning to realize the vast possibilities that are ours in this new field of diversified farming. [Applause.]

Mr. Chairman, this is the dawning of a new day for the South. The agricultural army of the cotton belt is declaring its independence of the one-crop system. That system has demanded a fearful toll at the hands of the farmers of the South. It has stood between them and all the blessings and benefits that come with crop rotation and diversified farming. [Applause.] It has injured every State, every county, and every community in the cotton belt, and, Mr. Chairman, it has injured the cotton farmer most of all. [Applause.] For years our farmers and merchants felt that cotton was the panacea for all the ills that agriculture is heir to. They

thought that cotton alone could make the South blossom as the rose, and spread prosperity and happiness amongst our people. But at last we have seen the utter folly of producing cotton with which to buy corn when we can produce that corn cheaply and to advantage. [Applause.] At last it has dawned upon us that it is foolish to produce cotton with which to buy wheat when we can grow that wheat successfully; and, Mr. Chairman, we acknowledge with embarrassment that we have toiled to produce cotton with which to buy oats and peas and hay when we can produce all of them cheaply and in abundance on the southern farm. [Applause.] We have produced, at great expense, cotton with which to buy mutton, pork, and beef when we can produce them all on every cotton plantation in the South. [Applause.] At last, Mr. Chairman, the cotton farmer has realized that when he has labored to increase the production of cotton with which to pay for all his farm necessities that he has placed in the hands of others a club with which to beat down the price of cotton. He has at last realized that if he would make the farm self-sustaining, derive a profit from his labors, and have a voice in fixing the price of cotton he must abandon the one-crop system that has enslaved him, and so fortify himself through diversified farming that he can be the master of his own business and hold or sell his cotton just as he deems best in the premises. [Applause.]

Mr. QUIN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Mississippi?

Mr. HEFLIN. Certainly.

Mr. QUIN. Does not the gentleman think that this Government ought to establish some sort of system by which those farmers raising that grain and stuff could market it and get the full value of it?

Mr. HEFLIN. Yes, sir; it ought to render every assistance possible, and the Office of Markets that I helped to establish in the Department of Agriculture will be of vast advantage to our farmers.

Mr. McLAUGHLIN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Michigan?

Mr. HEFLIN. I had rather not be interrupted any more. My time is short.

The CHAIRMAN. The gentleman declines to yield.

Mr. HEFLIN. The war in Europe has cost the cotton farmer dearly. It has brought to him a bitter experience, but out of the wreck and the ruin of cotton prices he will come employing his intellect and using his energies in the processes of diversified farming, and who knows but that his costly experience with cotton in the fall of 1914 will be of advantage to him in the years to come. [Applause.] From one end of the South to the other, Mr. Chairman, cotton fields have been planted in oats and wheat, and millions of acres more await the coming of the plowman in the spring for the planting of corn and peas and other forage crops. More farmers are preparing to raise their own meat and corn, their wheat and oats and hay, than ever before in the history of the South. All this foretells the day of deliverance for my people from the one-crop system that has cursed them. [Applause.] With corn in his crib, meat in his smokehouse, wheat in his bin, and fodder and hay in his barn the farmer can hold his cotton and sell at will. The farmer must prepare for the day, and he has it in his power to hasten the coming of that day when he can sell or refuse to sell his cotton, just as he thinks best. Diversified farming in the South will usher in that blessed day. The cotton farmer who would protect himself against the evil darts of the bear speculator must build his fortifications with corn and oats, peas and hay, with meat and wheat and potatoes. And here encamped at the base of these supplies and speaking from this stronghold the Southern farmer can and will dictate cotton prices to the world. [Applause.] Then will the producer use the power derived through diversified farming to give King Cotton his rightful place in the markets of the earth. Instead of being the only product of the Southern farmer he will be one of a multiplicity of products. He will no longer be a burden to the producer, nor will he be longer compelled to undertake the impossible task of doing for the farmer the work that corn and meat and oats and wheat and peas alone can do. [Applause.]

The southern farmer realizes now that his ability to hold his cotton and sell when it suits him must come through diversified farming, and he also realizes that he can get more money for a small crop of cotton than he can for a large crop; and the farmer that produced 20 bales of cotton and sold it for 6 and 7 cents per pound sees now that it will be vastly to his advantage to produce 10 bales at 12 cents per pound and grow corn and oats

and peas on the land that produced the other 10 bales at 6 cents per pound in the year 1914. Of course the war took us by surprise and caught us utterly unprepared for the conditions that it created. Cotton had sold around 13 cents per pound in 1913, and was 13 cents during the planting season in 1914, and the farmer had the right to believe that the price would be good in the fall of 1914; and it would have been but for the war, for cotton was 14 cents per pound on the 30th of July, 1914, the very day the war commenced in Europe. Now, suppose that every farmer, or the great bulk of the farming class, had produced sufficient corn, oats, wheat, peas, hay, potatoes, meat, and sirup to supply his wants for the year 1915. What would have been the situation? Why, the farmer would have said, "The price of cotton does not suit me; it is below the cost of production, and mine is not for sale at this time." If the farmer had been able to do that, cotton never would have gone below 10 cents; and I believe that it would have remained above 12 cents; and why not? Cotton goods to-day warrant the farmer in demanding 12 cents and more. [Applause.] It is true, Mr. Chairman, that the cotton crop of 1914 is larger than the crop of 1913, and it is also true that more American cotton was consumed last year than ever before; more spindles were in operation here and abroad—about 3,000,000—than ever before. We exported last year nearly 9,000,000 bales of cotton, and the American cotton mills consumed nearly 6,000,000 bales. The reports of raw cotton consumed by the spinners does not include that used in the manufacture of woolen goods, felts, batting, mattresses, and other miscellaneous cotton products. So, Mr. Chairman, with the great reduction in cotton production this year, the farmer will be in a position next fall to demand a reasonable price for his cotton, and by producing farm necessities at home he will be in a position to enforce his demand. [Applause.]

Mr. Chairman, I want to suggest to my friends from the South that there is another change necessary in the conduct of the cotton producer's business. He has fallen into the habit of allowing his fertilizer debts to be made due and payable in October and November. Yes; they are payable at a time when the cotton producer should not be pressed from any source to sell his cotton. These papers should not be made payable before the middle of December. From the time the cotton opens until the middle of December the farmer should be absolutely free to do as he thinks best with regard to selling his cotton. He ought not to be tied up with guano notes and mortgages coming due right in the heart of the cotton-selling season, when somebody else can force him to sell whether he wants to sell or not. [Applause.] This system in vogue all over the South forces upon the market hundreds of thousands of bales of cotton at a time when it may not be wise to sell and when the farmer would not sell if he were not compelled to do so to meet obligations coming due at such an unreasonable time. When the farmers are forced by this unwise custom to unload upon the market vast quantities of cotton, regardless of whether the price suits them or not, they are injured, and the bear speculator takes advantage of the coming in of cotton from all over the South at these stated times when the farmer is settling for his fertilizers, and he immediately uses this to depress the price. For instance, he will say that the farmers are selling freely and that a great deal more cotton was sold on October 15 than was sold in two weeks before. They try to induce the public to believe that the farmer is selling of his own accord because he thinks the price is good enough and because he fears that the price will go down, when the truth is the farmers often bring in their cotton at these unreasonable times because the fertilizer net is drawing all through the South at that time and bringing them into the market with their cotton. [Applause.] It may be that the farmer's judgment was against selling; that he wanted to hold his cotton, but alas! he has innocently put into the hands of bear gamblers the very power that they needed to beat down the price. Between August 15 and December 15 is the time of all times when the cotton producer should be his own master, free to use his own judgment as to whether or not he should sell. [Applause.] If he were free to do as he saw fit with his cotton from August 15 to December 15, and he should sell when the price suited him, cotton would be on a stable basis by that time and the farmer would have some say in the matter of fixing the price, and the law of supply and demand would govern.

Mr. Chairman, I want to mention another thing at this time. I know some other people who refused the opportunity to help themselves by helping us. The cotton spinners of America could have purchased their cotton supply at 10 cents per pound, and then have helped to put the price up to 12 cents, so that the foreign spinner would have to pay that price for his supply,

the remainder of the crop. At 10 cents the spinners here would be getting their supply nearly 4 cents per pound cheaper than they paid the year before, and then by helping to put the price up they would gain the advantage in the matter of competition with the foreign spinner in the markets of the world and at the same time have helped the cotton producer.

Mr. Chairman, the farmers of America produced last year nearly \$7,000,000,000 worth of agricultural products, and if cotton had brought its fair value, you could add a half billion dollars' worth more to that amount. Seven billion dollars' worth of agricultural products and thirty-odd millions of people engaged in the farming industry, and yet the sad fact confronts us that they have no credit system and no banking establishment suited to their particular needs. [Applause.] The commercial banking system does not supply their wants; it does not meet the requirements of the agricultural classes. The short-time loans and the high interest rates of the commercial banking system have been millstones about the necks of the farming class of our people. [Applause.] When we consider the difficulties and disadvantages under which farmers have struggled in their efforts to buy farms and build homes, the wonder is that they have succeeded as well as they have. Instead of getting money on land at a low rate of interest for a long period of time, the farmer has been unable to borrow at all on real estate at national banks, and in the absence of a farm-credit system he has been without banking accommodations, and the indirect aid that he has received through the commercial banking system has not been at all satisfactory. He has not been able to obtain loans at a reasonable rate of interest and he has been unable to get sufficient time in which to complete his undertakings. Through commissions and fees he has been compelled to pay interest rates ranging from 12 to 30 per cent and sometimes more. The short-time loan and the tremendous interest rate of the commercial banking system have stood between the farmers of America and homes and farms paid for and in their names. [Applause.] Thousands of the best farms in this country are those bargained for by industrious, ambitious men who longed to have homes and farms of their own, but they were overtaken by some misfortune, drought, or maybe sickness in the family, and were unable to comply with the short-time contract with its burdensome interest rates, and unable to get banking accommodations or an extension of time, they were driven to the wall and forced to give up the land with all its improvements and move away. There are thousands and tens of thousands of instances of this kind. [Applause.]

Mr. Chairman, there are many men in this country who have made their fortunes by selling land to farmers on credit for a short time, charging high interest rates, receiving a payment or two, and taking the land back and selling it over and over again. I rejoice that the President has included in his legislative program the proposition to establish by Congress a rural-credit system in this country. [Applause.] The man with land ten times the value of some man's commercial paper has been unable to borrow money through the commercial banking system, while the man with commercial rating has been able to borrow from the same banking system, on commercial paper, based on transactions with the farmer. So here is a banking system, Mr. Speaker, that accommodates the man with commercial paper, but denies aid to the man whose products make that commercial paper valuable. [Applause.] The short-time loan and high interest rate and the demand for commercial paper by the commercial banking system are not helpful, but distinctly hurtful to the business of the farmer. The agricultural business of this country is too big and too important to allow it to be hindered and handicapped by a banking system that does not supply its wants and meet its requirements. Every section of the country feels the need of a banking system suited to the business of the farmer. All agree that a rural-credit system with low interest rates and long-time loans is necessary, and the farmers of the South feel just as keenly, if not more so, the need of such a system. [Applause.] The farmers of the South, with farm products, land, and other property worth billions of dollars, were unable to borrow money with which to keep their cotton away from a market demoralized by war. I know of instances where the farmer offered to this commercial banking system mortgages on property many times the value of the amount desired, but he did not get the accommodation that he wished and was forced to sacrifice his cotton. This Government owes it to the farming class of our people to provide a banking system suited to the business of the agricultural industry. France and Germany have provided such a system, and land bonds in Germany bring a higher price than the bonds of the German Government. Such

a system as I have suggested will be the means of greatly increasing the number of home-building and home-owning people in America. [Applause.]

Mr. Chairman, I see that my time has expired. I will have more to say on this subject at a later date. In conclusion I want to assure you that I stand ready to vote at the earliest day possible for a farm-credit system in keeping with the dignity and the business of the farmers of our country. [Loud applause.]

Mr. LEVER. Mr. Chairman, how much time have we remaining on this side?

The CHAIRMAN. The gentleman has used 2 hours and 15 minutes.

Mr. LEVER. How much has the other side used?

The CHAIRMAN. The other side has used 1 hour and 40 minutes.

Mr. McLAUGHLIN. Mr. Chairman, I yield five minutes to the gentleman from Pennsylvania [Mr. HULINGS].

Mr. HULINGS. Mr. Chairman, I have been very much interested in this subject of rural credits. I have had some knowledge of the efforts that have been made in the committees of the House and Senate upon that topic, but I honestly believe that they are proceeding on wrong lines.

We have been told by the President of the United States that the new currency system provides in quite a considerable way for the needs of the farmer; and yet it must be apparent to everybody who knows anything about commercial banking that the farmer, who usually requires, as the gentleman from Alabama [Mr. HEFLIN] says, long-time loans, will be the last man to be accommodated at the commercial banks. He never can expect to get his loan there as long as the commercial borrower is ready to take short-time loans. So there is no substantial relief in that direction for the farmer.

The bills that have been introduced into the House, proceeding upon the line that the farmers will get together, that they will furnish the capital to organize banks, that the local banks will furnish the capital to organize district banks, that the district banks will issue a system of debentures based upon the mortgages of the farmers, that these debentures can be taken into the open market and sold, so that the farmer may procure his loan, will require a vast machinery of organization, a big salary list, based primarily on the cash to be furnished by the farmer.

Now, that bond must find its purchaser among the money-lending class. That bond never can be sold to anybody who can employ his money at higher interest in any other investment, and for that reason I am satisfied that the system is bound to fail. It may help the farmer who is able to pay for stock in the bank, but the farmer who has no money to buy bank stock, who most needs help, will not be helped at all.

Well, you say, what will you do? I say that because agriculture is at the basis of all human activity the public welfare is involved in its prosperity, challenging the attention and invoking the aid of the Government. It becomes not a question of aiding a class, but of promoting the public welfare. If you can organize a system by which the Government will lend its credit upon proper conditions to persons engaged in farming, so that the farming interests may be able to secure long-time loans at reasonable interest, encouraging the building of farm homes, and relieving agriculture from the enormous burden of interest charges that it is now staggering under, you will promote the public welfare in the highest degree.

Well, you say, why not aid the butcher and the baker and candlestick maker, and let the Government provide loans for everybody at 4 per cent? That seems to be quite a cogent plea. The farmer as a farmer has no more right to Government aid than the butcher, but aid to agriculture, an industry in the prosperity of which every other industry is deeply concerned, is altogether another matter. If we look at the banking business, we will find that because a sound banking business is of the greatest importance to the general welfare of itself the Government has extended and is extending its credit and powerful aid. We find that the Government has been extending aid in an enormous amount for the last 50 years to the money-lending class—the banking class—and there is not much said about that, because not the banker as an individual but the banking business, by reason of these aids, promotes the general welfare.

The CHAIRMAN. The time of the gentleman has expired.

Mr. McLAUGHLIN. I will yield the gentleman five minutes more.

Mr. HULINGS. I appreciate the gentleman's courtesy. Half a dozen persons who have Government bonds conclude that they will start a bank. They deposit those bonds in the Federal Treasury and collect their interest on those bonds right along, but the Government issues to them the face value of

those bonds in national currency. They take that currency and go back and start their bank and lend it out for what they can get. It is not suggested that the banks pay anything for that accommodation. The national-bank system has been organized and promoted and established to the special interest and advantage of the money-lending class. It is not suggested that they pay anything for that accommodation.

Why, then, should not the 12,000,000 farmers employed in our greatest industry, that certainly is of equal importance to the banking industry in its contribution to the general welfare—why should not an association of farmers, by putting up adequate security, secure loans or the aid of Government credit upon the payment of 3 per cent or perhaps 3½ per cent interest for the use of the loan or aid? There is no question at all in my mind, Mr. Chairman, that a system can be organized somewhat on the lines of the building and loan associations, that have been thoroughly worked out and are so greatly beneficial to the country, but turned to their end to, so to speak, because building and loan borrowers put their little dribs in every month and at the end of 140 or 150 months, something like that, they take down the whole capital invested. The farmer is not in the situation to make his contributions from month to month, but the proposition is to furnish him the loan at the start, upon putting up proper security, and allowing him to pay off this debt in dribs from year to year during the period of 15, 20, or 25 years by a system of amortized payments. I believe that system can be established in this country very quickly. I do not believe the system that is suggested in the bills that have been introduced will do that. I believe any of the proposed bills, if enacted, will develop in this country a great political machine, the employment of an army of clerks, the expenditure of vast quantities of money in order to install and conduct the system, which is entirely unnecessary if this other simpler and more effective and less expensive system is adopted.

One of the bills would attach the whole system of farm credits to the Federal banking system. It would be attached and practically put the enormous volume of farm loans under the banks' control, just as the commercial or business credits of the country are given into the control of the banks by the Federal reserve act, but with this difference—Government aid is withheld from the farmers. Oh, no; that would be aiding a class, while it is provided by law that the banks can take the notes of Tom, Dick, or Harry and have them rediscounted and secure Government currency.

The Federal reserve act placed the commercial business of the country absolutely in the control of the money lenders. Let us not go further and throw farm loans into the same control.

Your bills all would employ a vast, expensive, unnecessary machinery, salaries, and so forth, and the farmer would foot the bills.

Give the farmers the same chance you give the bankers. Require of them fully adequate security, then lend them the aid of the Government. Let them pay for this aid. Do not give it to them for nothing, as you have given it to the banker.

It is worth while on the score of the public welfare to relieve agriculture from the 7½ per cent interest charge which the average farmer in the United States is paying.

I have little faith in any of your systems that deny Government aid. If the whole country is interested in prosperous agricultural conditions, and no intelligent person will deny it, then the aid of organized society—that is, the aid of the Government—is justifiable.

The real question is whether Government aid will be extended; all other projects will fail in the working. You can not make a wig without hair.

Mr. McLAUGHLIN. Mr. Chairman, I was much interested in the speech made by the gentleman from Alabama [Mr. HEFLIN], in which he told us of the awakening in the South; that the people there have come to appreciate their advantages, and are improving them, engaging in general agriculture instead of confining themselves to the production of one crop, as in the past—the cotton crop. He attributes that condition and that awakening to the fact that this Congress refused to grant to the South the relief asked during the stringency or trouble about their cotton market growing out of the war in Europe. He is losing sight of the fact, Mr. Chairman, that this Congress has done a great deal in the last few years to bring about that very result in the South, namely, the development of general agriculture. Every bill that has been prepared by the Committee on Agriculture and passed by this Congress since I entered the House has carried immense appropriations for the purpose of assisting the people of the South along these very lines, and the bill we are now about to consider carries upward of \$2,000,000 exclusively for that purpose and for that section of the country. There is an appropriation of \$230,000 for farm management, of

which the States of the South will get their share. There is an appropriation of \$398,000 for the purpose of eradicating the cattle tick, which is peculiar to the South—an encouragement to them to engage and to progress in the cattle-raising industry. There is an appropriation of \$50,000 to be used by the Bureau of Animal Industry to assist and encourage the raising of live stock in the areas free of the cattle tick, an appropriation particularly for the States of the South. There is an appropriation of \$60,000 to assist and encourage the development of new lines of agriculture in the sugar-cane sections of Louisiana to take the place of or because of the destruction of the sugar-producing industry in that part of the country. There is an appropriation—or it is suggested in the bill—of \$10,000 to assist the State of Georgia, put in at the request of the distinguished gentleman representing one of the districts of that State, Mr. PARK, to help the people or encourage them in the better use of the sugar cane. There is an appropriation suggested in the bill of \$666,000 to carry out and devise means of meeting the ravages of the boll weevil; and a similar appropriation, not quite so large as in this present bill, has been carried in every bill for years. Under the guise of combating the ravages of the boll weevil \$500,000 or \$600,000—this year, \$666,000—have been used and are appropriated for the encouragement of general agriculture in the South. There is an appropriation of \$59,000 to study the diseases of crops grown in the South; another appropriation of \$15,000; but I shall not undertake to give the exact amounts of other appropriations, because the fact that they are in the bill has occurred to me only since I made this memorandum, and I may not be exact as to the amounts, but I venture to say that altogether this bill carries not much, if any, less than \$2,000,000 for the purpose of assisting and encouraging the growing of crops peculiar to the South and for the development and encouragement of general agriculture in that section of the country. It has been the policy of Congress for years to make those appropriations and to suggest to the South the desirability of engaging in those lines, and to offer this material assistance that they might engage in those lines.

The gentleman from Alabama [Mr. HEFLIN] says that the South has suddenly received help, suddenly seen the light, and suddenly been awakened to the necessity of general agriculture on account of the injustice which it recently suffered at the hands of Congress. What did the South ask?

Mr. POWERS. Mr. Chairman, will the gentleman yield?

Mr. McLAUGHLIN. Yes.

Mr. POWERS. Is it not a fact that these appropriations have been going on for years to assist the South?

Mr. McLAUGHLIN. I said that, or intended to, that amounts similar to these have been carried in every bill that I know anything about, at least during the last eight years.

What did the South ask? Mr. Chairman, I had occasion during the closing days of the last session to call the attention of the House to some of the measures that were being urged by gentlemen from the South for the relief of the cotton situation. I summarized those bills and stated to the Congress that the aggregate money asked by them was not much, if any, short of \$2,000,000,000, to be issued by the Government of the United States, or under its auspices, or along the lines which Congress had provided, to be placed in the banks of the South, and the loaning of that money was to be made compulsory on the banks in which it was placed, to be loaned to the cotton growers of the South, or practically for the purchase of cotton—not at 5 or 6 cents a pound, the market price of cotton at that time, but at 10 or 12 cents a pound; and those bills contained the express provision that the cotton thus purchased by the Government—the title acquired under the guise of a loan to the cotton owners—should be held by the Federal Government “until spot middling cotton should sell on the open market at Savannah, Ga., at 15 cents a pound.” This Congress was asked to enact laws of the most outrageous and ridiculous character, ostensibly for the protection and the relief of the cotton situation in the South. That is what Congress refused to do. It was right in refusing it. If that action has contributed in any measure to the splendid situation that the gentleman from Alabama points out; if the South has awakened to the necessity of general agriculture and in the near future is going to supply the needs of the entire country and put the farmers of the North and West out of business, there will be no just cause of complaint. The South is evidently striving for some measure of advantage to which it is entitled. Its people are to engage in lines of business in which they should have engaged years ago. Their climate and soil are suitable and invite industry to these lines. They have been blind to their opportunities in the past. I congratulate them that their eyes are opened and that they are to take advantage of their opportunities now. [Applause.]

The CHAIRMAN. The gentleman has used up five minutes.

Mr. LEVER. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. CARAWAY]. [Applause.]

Mr. CARAWAY. Mr. Chairman and gentlemen of the committee, I do not purpose to address myself to the bill under discussion, but, as others have done, I shall discuss a related subject, that of rural credits. I have recently introduced a bill for the relief of farmers, H. R. 20841. I shall briefly review it.

Not only does our national prosperity but our industrial existence rest upon our farmers. Legislators who fail to grasp this fact do not appreciate conditions as they exist. Ever since government began laws have been enacted to promote the prosperity of people engaged in the professions, manufacture, or trade, but for the farmer, nothing. The belief seems to have existed in all ages, as it seems to exist now, that if other classes are made to prosper the farmers are able to care for themselves. We are now engaged in trying to find a solution of the so-called “high cost of living” and to solve the problem of the “unemployed.” Both these questions are of comparatively little importance as compared with the enactment of laws that will enable the farmers of this land to ply their calling, unhindered by hostile laws and unhampered by unjust conditions. When he shall have been unfettered, his industrial bondage ended, the other questions of the cost of living and the opportunity to work will have solved themselves. Legislators are beginning to realize this, and therefore recognize that the greatest question before the Congress to-day is the question of a solution of farmers' credit.

In the short time allotted to me to-day I wish to discuss a bill, H. R. 20841, introduced by me on the 12th day of January, 1915. In my judgment, its provisions will solve this problem. It will enable the performance of all the functions that can be rightfully performed by government in this case, which is to bring together the parties who have money to loan at a low rate of interest and on long time and those who wish to borrow money under those conditions and have ample security therefor. The bill seeks to put in touch the farmers of all sections of this country with those in any section of it who have money to loan under these conditions, and its service to the farmer is the same in every State and Territory under our flag. It does this without disturbing the commercial or banking conditions in any community. It will neither affect the interest rate nor the deposit of money that have heretofore been used in industrial or commercial enterprises; and, above and beyond that, it extends the advantages of the provisions only to those who are actually engaged in producing agricultural products, and under no conditions lends itself to the speculator or absentee landlord, because no one can borrow money under its provisions unless he actually resides upon his land and is engaged in the work of agriculture. It will also make improbable the accumulation—I say improbable—of large landed estates, because the amount of the loan to be made under its provisions will not in any case exceed the sum of \$5,000; but inasmuch as money under these provisions may be borrowed at a very low rate of interest up to that amount, it will render it unprofitable for one not a farmer who has money invested in lands on which he owes, or for which he can find an investment in other channels for its money value at a reasonable commercial rate of interest, to either acquire or hold the lands.

That is, since a farmer under the definition of this bill and under its provisions could borrow money with which to purchase lands at not exceeding $3\frac{1}{2}$ or 4 per cent it will make it unprofitable for those who are compelled to pay a commercial rate to buy lands for speculative purposes or, owning lands, to retain them as against the price one could afford to pay who is in a position to take advantage of the provisions of this bill, because under its provision, as I said, a farmer will be enabled to borrow money at not exceeding $3\frac{1}{2}$ or 4 per cent, and therefore economic laws will force the lands out of the hands of those who hold them for investment or speculative purposes and into the hands of those who reside upon them and cultivate the soil. It will make owners of land out of the great army of men who are now the tillers of rented farms.

To procure a loan under the provisions of this bill all the machinery for its operation is local. The farmer desiring a loan would apply to his postmaster, who would appoint two committees of people residing in his community, and these committees would appraise the lands at their fair value, and the improvements would also be appraised at their fair value, but separately. These appraisements would be turned in to the postmaster, and the postmaster and the chairmen of the two committees would revise the appraisement and forward to the commission at Washington, and from that appraisement the amount to which the applicant is entitled would be determined. The title to the lands would be determined by an abstract furnished by the applicant and examined without cost by an agent

of the Government. If the Torrens system of registration of land title prevailed, the certificate of the State is made, under this bill, sufficient evidence of title. Inasmuch as that system is so much cheaper and safer than abstracts and title guarantees, this bill would hasten the day when all States would adopt that system of land registration. The loans are to be guaranteed by the Government, though the Government would put no actual capital in the system. It guarantees the repayment of these loans as it guarantees the circulating medium of the national banks and Federal reserve notes. It does under this for the farmer only what it has done for the merchant, doctor, banker, lawyer, and manufacturer in the banking laws as they are now written. An applicant for a loan under the provisions of the bill does not name the rate of interest, but his securities are placed on the market and sold at par to the one who is willing to accept them at the lowest rate of interest, thereby putting the farmer in touch with trust funds and savings-bank accounts and all moneys that are seeking an absolutely safe long-time loan and would procure for the farmer as low rate of interest as the bonds of our Government command in any market of the world. Not only will it attract domestic capital, but foreign capital willing to invest in our Government bonds would be willing and anxious to invest in these securities and at the same rate of interest. In addition to the interest that the farmer will be compelled to pay, he will pay some per cent to be determined by the commissioners as an amortization fund, which fund will be a trust fund held in the Treasury, to be deposited in banks or loaned, as the commission may prescribe. The holders of the securities may cash their interest coupons at interest-paying dates at any post office or national bank in any State or Territory of these United States.

These funds are exempt from taxation in exactly the same way and for the same reason that the Federal reserve act exempts from taxation the resources of the regional and member banks. The security upon which the loan rests will have been taxed in the community where it is situated, and to tax the loan would be double taxation, and therefore increase the rate of interest the farmer would be compelled to pay.

The bill provides, further, that the loans shall be issued in series of 5, 10, 15, 20, 25, or 30 years, at the option of the borrower, but where a loan is for a period greater than five years the borrower has the right at any interest-paying period to pay the entire indebtedness or \$100 or any multiple thereof, and on the sums so paid all interest payments will cease. The reason for making the amortization fund a common fund instead of an individual fund is to enable the Government, through the commissioners, to meet promptly any interest that may be due from any individual borrower or to pay any loan that may become due upon the date of its maturity. In the event default has been made the Government may seize the lands and to recover from the sale of the lands the money that the borrower has failed to pay at maturity.

Mr. JACOWAY. Will the gentleman yield there?

Mr. CARAWAY. Yes.

Mr. JACOWAY. In the event that contingency arose under the provisions of your bill, would it in any way handicap or hinder the man who held the coupon from going to the bank and getting the money on it?

Mr. CARAWAY. That is what I was trying to say. It would not. The plan provides the amortization fund shall be a common fund out of which any indebtedness owing by anyone of these borrowers may be paid. A creditor having an interest coupon, and the borrower failing to pay it, files his coupon with a national bank or first master and it is paid out of this common fund. The agent of the Government then seizes the land and has the equity of the borrower sold to reimburse this fund.

Mr. JACOWAY. Then all the burden of the foreclosure would fall upon the organization and not upon the man?

Mr. CARAWAY. It would be charged to the expense of administration and would not fall upon the individual who made the loan.

Mr. THOMPSON of Oklahoma. How is the land seized? Arbitrarily or through court proceedings?

Mr. CARAWAY. Through court proceedings in the Federal court. It is seized in this way: All district attorneys are made to perform without additional pay the services in connection with the seizing and condemning and selling of lands. Complaints would be filed in court and decree entered as in other foreclosure proceedings. The provision is that the lands shall not be sold in the sense that the indebtedness existing upon them shall be paid. The court orders sold the equity of the borrower. Some one buys it and steps in and pays the amount of his default and assumes the obligation and continues the system.

Mr. CRISP. Will the gentleman yield?

Mr. CARAWAY. Yes.

Mr. CRISP. If the land when sold brings more than the indebtedness, the overplus is returned to the owner of the land?

Mr. CARAWAY. To the holder of the equity.

Mr. JACOWAY. And all the overhead charges—the charges that carry all this out—fall upon the Federal officials?

Mr. CARAWAY. Upon the system itself. The Federal officials, however, act without charge, and the foreclosure is without cost.

Mr. McKENZIE. Will the gentleman yield?

Mr. CARAWAY. Yes.

Mr. McKENZIE. In case of foreclosure, which I take it is the plan you have, foreclosure would be carried on under the law of the State wherein the loan might be made. Would the right of redemption remain the same?

Mr. CARAWAY. The right of redemption is fixed in the bill at one year.

Mr. McKENZIE. One year?

Mr. CARAWAY. Yes, sir. I do not think it would be fair to deny the right of redemption to anyone who has been so unfortunate as to be unable to meet an interest payment.

Mr. McKENZIE. Would the exemptions provided for under the laws of the different States remain intact, or would you try to make this law superior to the laws of the respective States?

Mr. CARAWAY. I do not understand that in any State a man has any exemption right against a mortgage. The bill provides, if you will pardon me, that the indebtedness shall be secured by a mortgage executed by the borrower, and the party named therein as the payee shall be the agent and trustee of the Government, and the title will vest in him for the benefit of this common fund, this amortization fund.

Mr. SELDOMRIDGE. Will the gentleman yield?

Mr. CARAWAY. I will.

Mr. SELDOMRIDGE. I understand the gentleman to say that the Government, the holder of the security, would step in and foreclose on the property at the default of one interest payment?

Mr. CARAWAY. Yes, sir.

Mr. SELDOMRIDGE. Would you dispossess the owner of the property for failure to make payment of one interest?

Mr. CARAWAY. If he does not pay, the Government can seize his property through a court proceeding. He has the right to pay during the pendency of the suit, and for one year after the property is sold to redeem.

Mr. SELDOMRIDGE. Does not the gentleman think that that penalty is severe on one who has defaulted in the payment of a small interest?

Mr. CARAWAY. That is possibly true; but it is necessary to preserve this amortization fund in which every borrower has an interest, and we must repay it by some process if a borrower makes default.

Mr. McKENZIE. In case of sale by the Government where the land did not bring the amount loaned upon it, would the Government be a loser in that fund? How would you provide for that?

Mr. CARAWAY. The mutual fund created by the amortization of all the borrowers would be the loser. I can not concede, however, the possibility of the lands failing to sell for a sufficient sum to reimburse this fund for any payment which the commission may have been compelled to make out of it.

This plan, inasmuch as the security at all times will be ample, will enable the commissioners safely to pay the interest or the loan itself out of this common fund and as promptly as the interest is paid upon Government bonds. The Government guarantees all payments and pays all interest and principal out of the common fund, and therefore the creditor can have no interest in where the security upon which the loan is based may be situated. This will render the rate of interest the same in all sections and afford the farmer an equal opportunity to borrow in any State or Territory.

The bill provides further that if one holding lands shall transfer the title to some one who is not a bona fide farmer, all loans upon said lands are to become due and payable, or if one acquires lands upon which the loan is in excess of \$5,000, the excess shall become due and payable. These provisions are in the bill for the purpose of making it impossible for a speculator to acquire large holdings of lands upon which these loans have been placed or to speculate in lands enjoying the low rate of interest procurable under the provisions of this bill.

When this bill shall have been enacted into law, and it will be, I hope, one carrying its main provisions, our farmers will have been freed from their bondage to banks, and the banks will have lifted from their shoulders the burden of caring for the farmers' credits, and each will have been set free to pursue unhampered the legitimate avenues of his individual and proper

function. But not until then will it be possible for the great number of tenant farmers to become the owners of the lands they till and the American farmer once again come into his own—the proud owner of the lands his hands shall cultivate, the possessor of the wealth his industry shall create.

I ask unanimous consent, Mr. Chairman, to have printed the bill I have introduced as a part of my remarks.

The CHAIRMAN. The gentleman from Arkansas [Mr. CARAWAY] asks unanimous consent to extend his remarks in the RECORD by including a copy of the bill to which he has been referring. Is there objection?

There was no objection.

Mr. LEVER. Mr. Chairman, I yield to the gentleman from Virginia [Mr. SAUNDERS].

The CHAIRMAN. The gentleman from Virginia [Mr. SAUNDERS] is recognized.

Mr. SAUNDERS. Mr. Chairman, I ask to have the privilege of extending my remarks in the RECORD in relation to the shipping bill.

The CHAIRMAN. The gentleman from Virginia asks unanimous consent to extend his remarks in the RECORD in relation to the shipping bill. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. PLATT].

The CHAIRMAN. The gentleman from New York [Mr. PLATT] is recognized for five minutes.

Mr. PLATT. Mr. Chairman, I have listened to a great deal of the discussion on rural credits with considerable interest, and, at the same time, it seems to me that the agitation in regard to this subject throughout the country has been, to say the least of it, somewhat unfortunate. In some sections of the country the farmers have been practically told that miracles can be worked by a system of rural credits, that they will be released from bondage, and various other things of that sort, and that the earnings of a living, and even of large profits, will become a very simple and easy matter just as soon as a rural-credit system is established.

Of course all that is nonsense, and it seems to me that the party in power should have learned a little something from its experience with the Federal reserve act. We were told by the leader of the majority on the night the conference report was adopted on the Federal reserve act that the moment the bill was signed the wheels of industry would begin to hum, when there was not a line in that act calculated to start up the wheels of industry. And the President of the United States, when he signed the bill, said something very much of the same character, calling it a "charter of freedom," or something of that kind. There is a good deal in the act that would prevent a panic, but there is not anything in the act that would create a demand for goods, and that is what starts the wheels of industry.

Now, something can be done with a good system of rural credits. Something has been done with such systems in Europe. Nevertheless the farmers there have to work hard, and the farmers will have to work hard under any system of rural credits here. The only thing that can be done, in my opinion, is to make a farm mortgage a liquid asset, which will sell alongside of other high-grade securities, and can be put up at the banks as collateral for loans.

Let me read a few lines from the financial page of the New York Sun of this morning on "Money and exchange." I read:

MONEY AND EXCHANGE.

Commercial paper conditions were unaltered. Rates were 3½ and 4 per cent for 60 to 90 day bills, and for 4 to 6 months—best names; 4½ and 5 per cent for others.

Time money was unchanged. Rates were 2½ and 3 per cent for 60 and 90 days and 4 months; 3½ and 3½ per cent for longer maturities.

Call money on the floor of the stock exchange yesterday ruled at 2 per cent—high, 2 per cent; low, 1½ per cent.

Now, one thing that it was confidentially announced the Federal reserve act was going to do was to prevent Wall Street from having cheap money; and yet here, we see, with the Federal reserve bank in existence for two or three months that Wall Street still has altogether the cheapest money in the country. It has particularly cheap call money, and will continue to have it in ordinary times. "Time-money rates," which are also based on stock-exchange securities, you will notice, are a little lower than commercial-paper rates. The Federal reserve act has not yet made commercial rates lower than collateral rates, and it will not, in my opinion. But a rural-credit system could make farm mortgages as liquid as bonds and stocks, so that they could be easily borrowed on, and could pass from hand to hand. And that is all that it is necessary to do.

It seems to me that is what the Moss bill does. It will not perform miracles. It will not create at once a great system all over the country. It will have to grow naturally and be organized where people have got some capital to start it with. But if we should pass the Moss bill these institutions will be started and will extend to other localities.

I am a member of the Committee on Banking and Currency and of the rural-credits subcommittee, and I have given considerable study to the subject. I did a great deal of work in connection with preparing the Bulkley bill, but I think it is entirely wrong in its Government-aid features. I do not think Government aid is either wise or necessary. I think if we should pass a bill with Government aid in it it would simply have the result of raising the value of lands, so that the homeseeker, that we talk so much about here, if he got the money to buy, paying a lower rate of interest on it through Government aid, would have to make it up by paying a higher price. I think if we should enact a rural-credit bill of the right kind it would simply give farmers a better chance—the chance that many of the merchants now have—to borrow money on a little better terms than they have been borrowing on heretofore.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MANN. Mr. Chairman, will the gentleman yield for a question?

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman two more minutes.

The CHAIRMAN. The gentleman from New York is recognized for two minutes more.

Mr. HAUGEN. I yield to him five minutes.

The CHAIRMAN. The gentleman from New York is recognized for five minutes.

Mr. MANN. There are, of course, lots of people in the country who have some capital who are willing to invest it in anything in the way of good security that pays 5 per cent and more who would be willing to invest it in good securities that would pay 5½ and 6 per cent interest.

Mr. PLATT. Undoubtedly.

Mr. MANN. Is there any way by which farm mortgages can be made so secure in the knowledge of the people who have money to invest that they will be willing to buy farm mortgages very generally in place of railroad bonds or municipal bonds at a reasonably low rate of interest? Of course I know that is done very largely now through private individuals—

Mr. PLATT. And guaranty associations—

Mr. MANN. Yes; and guaranty associations. But lots of people are not willing to trust the guaranty of a guaranty association, which guarantees an immense quantity of paper and which does not have very large capital. In other words, is there any way by which the Government can aid in practically insuring the security of a farm mortgage for some slight compensation, which will probably more than equal the losses?

Mr. PLATT. I am not sure whether there is any way by which the Government could guarantee the individual mortgage.

Mr. MANN. I do not ask the question as to whether the Government itself shall guarantee it, though that is to be considered; but is there any way by which, through legislation, we can provide that there shall be some form of guaranty which will insure the payment?

Mr. PLATT. The Government could establish an institution which would take farm mortgages, and have its own capital back of them, as well as the security of the farms, and issue bonds on the security of those mortgages and its own capital; and those bonds, I believe, would sell just as readily and at just as low interest rates as railroad bonds and other securities of that kind. They do in other countries, and there seems to be no reason why it should not be done here. It depends largely on the matter of appraisalment. If an institution like a farm-mortgage bank of some kind is carefully managed and has its appraisalment committees go to the farms and see that not too much is being loaned on them, the land ought to be the best security there is. If the loans are carefully made, it ought to be possible to make bonds secured in that way absolutely liquid and just as marketable as any other securities.

Mr. MANN. I should suppose that for a difference of one-half of 1 per cent, possibly less on the average, they could pay the cost of handling and also lay by an insurance fund, which would secure the payment of the mortgages, unless there was a case of universal bankruptcy; but I do not profess to know.

Mr. PLATT. I think that is a rather lower rates than has usually been paid for handling and guaranteeing and insuring.

Mr. MANN. I mean a difference of one-half of 1 per cent a year in the interest rate. Of course that would amount to 2½ per cent on a five-year loan and more on longer loans. I should

think there would be a great many people who would be willing to buy farm mortgages on a basis of 5 per cent, where they draw 5½ per cent, if they could feel secure of the repayment of the principal in the end.

Mr. PLATT. I believe that is entirely true, but the bonds have the added advantage of being in uniform lots of \$100 and \$500 and \$1,000.

Mr. MANN. I know, but they do not have any special security, and many people who would be willing to take a farm mortgage, secured upon a particular piece of ground, where they own the mortgage, might not be willing to take the bond of some company which may blow up, as most of them have blown up.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I yield to the gentleman five minutes more.

Mr. PLATT. There might be a feeling on the part of a good many investors that they would like to know that there was a certain piece of ground back of their mortgage. If I am not very much mistaken, in Italy the savings banks actually do issue mortgages or mortgage bonds in uniform amounts of \$100 or \$500 or \$1,000, each secured by a certain piece of property, and they guarantee those mortgages and put them on the market, and they sell at very low rates. It seems to me that is not an impossibility here, but at the same time I doubt whether it is the best way to handle a rural credit system. It seems to me a bank supervised by the Government can take farm mortgages and have its own capital back of them and issue bonds on them in such a way as to make the bonds entirely salable, and to give the farmers a lower rate of interest than they are getting at present. In general that is the plan of the Moss bill, and I do not see any reason why such institutions should not be organized all over the country.

I yield back the remainder of my time.

The CHAIRMAN. The gentleman yields back three minutes.

Mr. LEVER. I yield five minutes to the gentleman from Indiana [Mr. Moss].

Mr. MOSS of Indiana. Mr. Chairman and gentlemen, I was much interested in the question of the gentleman from Illinois [Mr. MANN], and that is the reason that I have asked for time. I know that the gentleman from New York is a close student of this banking question; but I should also like to give an answer to the question which the gentleman from Illinois has asked. Mortgage credit, as the words "rural credit" usually define that term, is a well-organized scheme to insure land values to the lender of money. It is superimposing commercial capital upon definitely ascertained land values. Rural credit at its very best is simply a question of insurance, and the most perfect scheme of insurance is the best system of rural credit. You may take 100 farmers and let them mortgage their farms; 99 of them may be able upon every interest day to meet their obligations, but one of them may not be able to do so. Hence there is a hesitancy about purchasing real estate mortgages for fear that the purchaser would get the one on which the borrower would not be able to meet his obligation. This difficulty is sought to be overcome by creating an organization and permitting it to hold the 100 mortgages and pledging its own capital, or a certain proportion of it, to guarantee the prompt payment of all contract obligations. It is thus made entirely possible for a person to invest his money in farm mortgages and to be absolutely certain of payment at the hour and the minute when the obligation falls due. You have thus the best security in the world, because you have, first, the security of land values, which have been carefully and accurately appraised; second, you have secured the judgment of an association organized and supervised under the law, which is usually officered by men of large business experience; third, the cash capital and reserves which are made a trust fund under the law to meet any default in payments by the debtors; and, finally, the liability of the stockholders, which is usually equal to the cash capital. In this manner all risk is eliminated absolutely. The natural result is to give to such security the lowest rate of interest that obtains in the investment world. By exempting these credit instruments and the capital, which is held as a surety fund, from taxation, a further reduction in interest rates is made possible.

So, after all, then, the question of rural credits is simply a question of mutual insurance; or if it is not mutual, then it is an insurance by men who are trained in investment banking and who are willing to put up their own money as security to those who may become their clients by purchasing their securities. The question asked by the gentleman from Illinois [Mr. MANN] goes right to the center of the question of rural credits. It is, after all, a question of 100 or 1,000 or 100,000 men who desire to lend and to borrow coming together through a central association and by eliminating the weakness of any one of their number give strength to all. This is possible because agriculture

is the one undertaking among men that must be successful or civilization must cease. If this work of organization be well performed failure is impossible. Therefore Government aid is not necessary and in the end can not be effective. I am glad to be permitted to offer this reply to the question of the gentleman from Illinois [Mr. MANN], which, in my opinion, goes to the very center of the subject. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. POWERS].

Mr. POWERS. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Without objection, the request will be granted.

There was no objection.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Oregon [Mr. LAFFERTY].

Mr. LAFFERTY. Mr. Chairman, I ask leave to extend my remarks in the RECORD on rural credits.

The CHAIRMAN. The gentleman from Oregon asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. ROGERS] 10 minutes.

Mr. ROGERS. Mr. Chairman, on the 11th day of this month our former colleague, Mr. Willis, was inaugurated governor of Ohio. In the course of his first official message to the Legislature of Ohio he used the following language:

No doubt the secretary of state will have important recommendations to make touching amendment of the election laws. At this time I desire only to suggest for your consideration the advisability of providing by legislation for a system of registering and voting by mail. Such a law must be most carefully drawn in order to prevent fraud and preserve the purity of the ballot. Its enactment would preserve the right of franchise to thousands of our voters who now by the exigencies of their vocations are prevented from registering and voting. In this connection I also recommend that the so-called students' voting law providing for the disfranchisement of students, once vetoed by Gov. Harmon, but subsequently placed on the statute books, be repealed. Ohio can not afford to place a penalty on desire for knowledge.

I think the question of absentee voting is a question in which every Member of this House must be greatly interested, not only because it concerns very directly his own convenience and comfort, but also because of the tremendous importance that the thousands of uncast votes have or may have on the result of every election in each State of the Union.

As some Members of this House know, certain progressive States have already adopted legislation permitting voting by mail when any voter is necessarily away from his usual voting place on election day. I do not know just how many States in the Union there are that have such laws, but some of the Members of the House may be able to extend my list of such States. Such testimony as there is upon the matter points definitely to the conviction that such a law is working well and is likely to work well wherever it has been or is being tried. There are only four States that I actually know of where this legislation is now on the statute books. These are Kansas, Nebraska, Missouri, and North Dakota.

I took occasion within a few weeks to write to the secretary of state of each of these States to get his opinion upon the working of the law in his State. Secretary of State Roach, of Missouri, wrote me that he believed that the central thought in the Missouri law was meritorious, although there was a distinct weakness in the details of the bill, which would undoubtedly have to be corrected at an early session of the legislature.

Mr. BOOHER. Will the gentleman yield?

Mr. ROGERS. I will.

Mr. BOOHER. I want to say that the Missouri law did not provide for registration by mail. The legislature now in session is working on a bill to correct the weakness of the present law and to extend registration by mail.

Mr. ROGERS. Is it not a fact that there was a joker in the law, so that it applied only to St. Louis County?

Mr. BOOHER. No; it applies to the whole State. There was some talk at one time that it only applied to the city, but it applies to the whole State. In my county, with a city of only 3,000 people, several citizens voted who could not come home to vote.

Mr. ROGERS. Does the gentleman care to express an opinion as to how the law is working?

Mr. BOOHER. If it is perfected, it will work admirably. It is a good law and ought to be enacted by every State, so that a man away from home can vote if he wishes.

Mr. ROGERS. Secretary of State Hall, of the State of North Dakota, writes:

From every source we have received indications that the law has been very successful in its working, and the approval of the press has been general. It franchised a great number of voters who would other-

wise have been deprived of the right to vote, and there have yet appeared no opportunities for fraud or illegal voting in its use.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. ROGERS. Certainly.

Mr. YOUNG of North Dakota. I desire to add to the words of the secretary of state of North Dakota that he is a man who has been in public life for a long time and for many years was a newspaper man. Mr. Hall is a very thoughtful student of questions of this character. We have had two elections under this law—one the primary election of June last, and the other the general election in November. I have yet to hear a single criticism of the law; it has worked perfectly.

Mr. POWERS. Will the gentleman yield?

Mr. ROGERS. Yes.

Mr. POWERS. May I inquire of the gentleman what power would Congress have to enact laws along the line suggested by the gentleman from Massachusetts?

Mr. ROGERS. I am not advocating a Federal law at all; I am simply putting before the House certain facts which I have collected bearing on the working out by certain enlightened States of the problem here involved. I do this for this reason: Although it is essentially a State and not a Federal matter, as far as legislation goes, nevertheless it is a matter in which every Member of Congress should be preeminently interested to see that it is worked out effectively in his own State. [Applause.]

I wrote also to the secretary of state of Kansas, but he apparently did not care to express his opinion as to the working of the law. Such conversations as I have had, however, with the Members of Congress from that State on the floor would indicate that the Kansas law also has received general approval.

The secretary of state of Michigan writes me that the State adopted last November an amendment to the constitution providing that students, while attending college, and commercial travelers shall not be deprived of their votes by reason of absence from their home precincts. Secretary of State Martindale, of Michigan, whose opinion is confirmed by Michigan Members of this body, writes me that "undoubtedly an enabling statute will be passed at the coming session of the legislature, which will convene January 6." That was written just before the legislature actually convened.

A good many people, without much accurate knowledge of what the proposal really involves, seem to feel that this law represents the fanatical and wild notions of a few men, and, while perhaps all right in theory, is one which could not, and would not, work out well in practice. I refer at this length to States that already have the law, where it is working well, to show that measures of this kind are not the dreams of reformers, but are, in at least four States, an accomplished fact, doing effective and salutary service.

Mr. ANDERSON. Mr. Chairman, I have heard statements made in respect to the law which the gentleman refers to that in order to prevent fraud it is necessary to lay so many safeguards around the votes by mail that it is practically a dead letter. Has the gentleman any information in regard to that?

Mr. ROGERS. Mr. Chairman, none of the replies which I have received has revealed the number of actual votes cast under these laws. I do not know whether or not the gentleman from North Dakota [Mr. Young] can give us any enlightenment on that point. He has given me a set of North Dakota absentee ballots and documents which he obtained last November, at a time when he expected to be away from his home precinct on election day, and I have looked through those with some care. It did not seem to me that they were especially complex or beyond the ready intelligence of the ordinary voter. I should expect that they would represent, in a general way, at least, the form which would be adopted in the various States which will pass on this law in the immediate future.

Mr. YOUNG of North Dakota. Mr. Chairman, it is a very simple proceeding. Any voter can write a postal card to the county auditor and say that he wants an absent voter's ballot; then the auditor sends him the ballot and gives him instructions how to use it.

Mr. ANDERSON. The voter does not have to go before a notary public?

Mr. YOUNG of North Dakota. Oh, yes; but to initiate the matter is a very simple thing. All he has to do is to write a letter or a postal card saying that he wants the vote, and then he gets the instructions, which he can take to the notary, and the notary can comply with them.

Mr. ROGERS. Complaint is often made by people who have not looked into this type of measure that it will result in uncertainty of elections; that the result of the election will not be known at once, because these ballots must get back from wher-

ever the absent voter is at the moment, so that they will be delayed in reaching the polling place. So far as I know, however, it is always required in the law that the ballot shall be in the hands of the proper election official at a moment not later than the closing of the polls on election day. Of course that is necessary, because we can not have a stream of ballots trickling in for days after the election is over and, in a close election, very likely changing the result half a dozen times.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. ROGERS. I will ask the gentleman to yield me five minutes more.

Mr. HAUGEN. I yield the gentleman five minutes more.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

Mr. ROGERS. Yes.

Mr. COOPER. I wanted to ask one question. One of the ways of perpetrating election fraud is for a man to take a false name and register the name of a man who does not exist or falsely personate another man. Elections are often very close. For instance, a Member of Congress in the city of Buffalo once was defeated by one vote. What would be the great difficulty in 10, or a dozen, or 15, or 20, or 30, or 40 men making false affidavits in other States and sending them in, in form strictly in accord with the requirements of the statutes of the State in which the election is held, these affidavits and votes getting into the polls before the polls are closed, each of them a forgery, with no one there competent to say that they are forgeries or that there is false personation involved? You might not discover the fact of this false personation or fraud for a month or six weeks after the election, after the result has been announced.

Mr. ROGERS. Is it not an answer to the suggestion of the gentleman that precisely the same condition is possible, and I fear in some cases probable, under the present system? There are false personations, we all know, occasionally. Men sometimes vote on dead men's names. As a matter of human probability, however, would the percentage of fraud be greater than to-day, even assuming that it is theoretically possible under an absentee voting provision? It is undoubtedly possible now under the present system. Perhaps the requirement that a photograph of the absent voter should accompany the ballot might reduce the danger. That is to-day the rule of the State Department in issuing passports.

Mr. COOPER. I do not know what the possibilities of the two systems are, but where there is false personation, with the modern system of registration so thoroughly understood and political organization becoming so perfect, with a list of voters in each precinct, the records can be easily looked up and the name of the man ascertained in a case that looks suspicious. A voter gives a place of residence, and with the telephone system it takes only a fraction of a minute under a well-organized political system to find out whether any such man lives there or not; but if these men make affidavit at a distance of a thousand miles or two thousand miles in a community that does not know them, and the affidavit and votes are sent in by mail, the men at the polling booth could not tell anything about it.

Mr. POWERS. Mr. Chairman, I just want to suggest to the gentleman from Wisconsin that there is a man in Louisville who told me he voted 157 times in one election down there.

Mr. ROGERS. Mr. Chairman, I want to call attention to one or two more points. As I said a moment ago, it is sometimes suggested that this is a revolutionary doctrine. I wonder if the membership of this House generally realizes that during the Civil War in practically every Northern State of the Union absentee voting was legalized for soldiers and sailors in the service of the United States. At least 16 Northern States of the United States had a law of this kind, and proxy voting, so called, has been common in the United States from early colonial times, especially in the States of New England.

A very interesting article appeared in the December or January Harper's Magazine, setting forth from the diary of John Hay certain hitherto unpublished reminiscences of his service as Secretary to President Lincoln. John Hay describes in his diary how, in the election of 1864, he and Mr. Lincoln sat together in the White House and watched the returns coming in by State groups from the various Union armies in the field. I refer to this incident simply to illustrate how well-established the practice which is sought in this legislation is in the history of the United States.

Of course, I can not give any accurate estimate of how many men in the United States as a whole would be potentially enfranchised as a result of this legislation.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. HAUGEN. Mr. Chairman, I yield the gentleman two minutes more.

Mr. ROGERS. I have, however, prepared an estimate of those who to-day are or may be disfranchised in Massachusetts, because of the nature of their occupations. Such men, for example, as actors, commercial travelers, students in higher institutions of learning, civil-service employees, and so forth. I find that there are 80,000 men in Massachusetts alone who are engaged in occupations such as these who are likely, because of absence from their homes on election day, to be disfranchised.

Of course, I do not claim that all of these 80,000 men will in fact be disfranchised under the present system, but it is safe to say that at least 25 per cent of them will be so prevented by absence from voting. Hence, in the State of Massachusetts alone, my best judgment is that there will be upward of 20,000 voters enfranchised as a result of enabling legislation of this character. I yield to the gentleman from Minnesota.

Mr. ANDERSON. I understand the traveling men are advocating a change of the day of election from Tuesday to Monday.

Mr. ROGERS. Yes; that is true in Massachusetts.

Mr. ANDERSON. Does not the gentleman think that will probably reach all of those persons of our populations, and do it with less danger of fraud?

Mr. ROGERS. I think it will care for only a very small portion; but of course that is a matter on which the gentleman's opinion is just as good as mine.

Mr. GOODWIN of Arkansas. The Australian ballot system obtains in most of the States in a somewhat modified form. In that way the voter is protected and the world does not know how he votes nor the election officer. Now, under this system would not his vote be known, a matter which heretofore was a matter of privacy to him alone?

Mr. ROGERS. No; because these ballots must be dropped in the ballot box just like any other ballots. No one is going to know, in a given case, whose ballot it is or what the contents of the ballot are.

Mr. GOODWIN of Arkansas. I supposed that the officials would see the way the man voted.

Mr. ROGERS. I understand not. [Applause.]

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. ROGERS. On the 12th day of January I introduced into the General Court of Massachusetts a resolution calling for the creation of a commission to consider in all its aspects the question of absentee voting. I herewith quote in full the resolution:

THE COMMONWEALTH OF MASSACHUSETTS, 1915.

A resolution to provide for the creation of a commission to consider the feasibility and desirability of permitting, under suitable safeguards, restrictions, and conditions, absentee voting in the elections of the Commonwealth.

Be it resolved by the senate and house of representatives, in general court assembled, and by the authority of the same, as follows:

Resolved, That a commission, consisting of the secretary of state of the Commonwealth, the attorney general of the Commonwealth, and the chairman of the State ballot-law commission and State board of voting-machine examiners of the Commonwealth, shall consider the feasibility and desirability of legislation which shall permit, under suitable safeguards, restrictions, and conditions, absentee voting in the elections of the Commonwealth, such commission to report its findings and to submit to the general court a draft of a proposed bill or, if it deem it necessary, of a constitutional amendment, permitting such absentee voting, not later than the second Wednesday in January, 1916.

On the very day I thus introduced this measure into the Massachusetts Legislature our former colleague, Frank B. Willis, who had tendered his resignation from this body but three days before, was reading to the Ohio Legislature his first message as governor of that great State and was making use of the language relative to absentee voting which I quoted at the beginning of my remarks.

What is this absentee voting and precisely what does it seek to accomplish?

The opinion is rapidly growing in the United States that there is neither justice nor excuse for the present virtual disfranchisement of hundreds of thousands of voters because their occupations oblige them to be absent from their legal residence on election day. To remedy this situation, a number of progressive States have already enacted what is known as an absentee voting law—that is, a law which permits, under suitable safeguards to prevent fraud, error, or delay, a voter, who for business reasons is unable to cast his vote in the usual way, to be duly and legally recorded.

Perhaps enough has already been said to indicate that such a measure is by no means a theoretical one, but that it is in use

in several States to-day and is meeting the undoubted approval of those familiar with it.

There is, as I have said, nothing revolutionary in the idea of absentee voting. During the Civil War, as I shall presently show in greater detail, at least 16 of the Northern States of the Union enacted laws enabling qualified voters engaged in military service of the State or of the United States to cast their votes even though absent from their States. Proxy voting was common in Massachusetts and the rest of New England from early colonial times.

It can not be asserted that the evil sought to be remedied is a slight or a fanciful one. Hundreds of thousands of qualified citizens of the United States who desire to vote are annually unable so to do, because of their necessary absence from their homes on election day. Take the State of Massachusetts alone—probably twenty or thirty thousand qualified voters are thus virtually disfranchised at every State-wide election. I have assembled, mainly from the 1910 Census of the United States, a list of occupations engaged in by Massachusetts men and likely to entail their absence from home on a given day. This list follows.

Fishermen and oystermen	5,946
Lumbermen and raftsmen	949
Locomotive engineers	2,082
Locomotive firemen	1,552
Conductors (steam railroad)	1,887
Canvassers	537
Brakemen	2,944
Commercial brokers and commission men	927
Commercial travelers	9,474
Soldiers, sailors, and marines	2,519
Showmen	677
Actors	673
Sailors and deck hands	1,707
Captains, mates, masters, and pilots	1,181
Civil-service employees in District of Columbia alone	852
Total	33,907

There are, of course, many other occupations which may well entail absence from home on election day, some of which are—

Cranberry bog pickers	1,129
Farm laborers (working out)	21,976
Quarry operatives	2,192
Building contractors	8,778
Structural ironworkers	585
Chauffeurs	4,428
Students (registered in higher institutions of learning all over the United States)	8,249
Total	47,337

In addition to those enumerated in the foregoing tables there are many in other occupations whose duty or pleasure may result in absence from home on election day—Senators and Members of Congress, noncivil-service Government employees, travelers for pleasure, and so on.

As previously stated, I do not contend that all the upward of 80,000 above specifically enumerated are deprived by the present system of voting of their right to cast the ballot; many of them undoubtedly find themselves able to vote in the ordinary way, others are not registered voters at all, and still others are under 21 years of age. Nevertheless, it would seem that 25 per cent, or about 20,000, was a very conservative estimate of those excluded from the privilege of voting. In all probability the number would far exceed this suggested minimum. In addition to those who are actually disfranchised there are many others who, often at a very considerable sacrifice of time and money, are in the habit of going from whatever place they find themselves to the place of their legal residence for the single purpose of casting their vote on election day. There seems no good reason why good citizens like these should be so heavily penalized.

I think I need not further emphasize the inherent right and importance that these thousands of citizens should be given the privilege of the ballot. The remedy proposed is simple, inexpensive, practical, and just. It seems to me clear that it should be adopted.

It is doubtless true, as Gov. Willis points out to the Ohio Legislature, that any such law must be most carefully drawn in order to prevent fraud and to preserve the purity of the ballot. It is almost equally important that whatever law is enacted should require that the ballot of every absentee voter be in the hands of the election officers of his usual voting place at an hour not later than the closing of the polls on election day. Obviously it would be neither wise nor practicable to have the result in a close election kept uncertain, perhaps for days, while a stream of "absentee ballots" was dribbling in. These points, while of great importance, are, after all, but matters of detail in connection with the drafting of the measure.

In view of the underlying legal questions, of the possibility that a State constitutional amendment may be necessary, and of the fact that this being a highly technical matter, it is im-

portant that the enabling legislation be carefully and accurately drawn, I am suggesting the appointment of an unpaid commission to investigate the whole matter and report to the Massachusetts Legislature of 1916, this commission to consist of the secretary of state, the attorney general, and the chairman of the ballot law commission.

I append a list recently furnished me by the Commissioner of Education of the United States, showing residence of students of Massachusetts who are attending the specified higher institutions of learning.

Students, resident of the State of Massachusetts, registered in educational institutions.

Massachusetts Agricultural College, Amherst, Mass.	499
Amherst College, Amherst, Mass.	141
Boston University, Boston, Mass.	1,020
Boston College, Chestnut Hill, Mass.	384
Brown University, Providence, R. I.	163
Catholic University of America, Washington, D. C.	32
University of Chicago, Chicago, Ill.	39
Clark University, Worcester, Mass.	24
Clark College, Worcester, Mass.	110
Columbia University, New York City	89
Cornell University, Ithaca, N. Y.	80
Dartmouth College, Hanover, N. H.	469
Harvard University, Cambridge, Mass.	2,068
Holy Cross College, Worcester, Mass.	313
University of Illinois, Urbana, Ill.	21
Massachusetts Institute of Technology, Boston, Mass.	953
University of Michigan, Ann Arbor, Mich.	36
Rensselaer Polytechnic Institute, Troy, N. Y.	22
Rhode Island State College, Kingston, R. I.	36
University of Pennsylvania, Philadelphia, Pa.	73
Trinity College, Hartford, Conn.	8
Tufts College, Tufts College, Mass.	732
Wesleyan University, Middletown, Conn.	46
Williams College, Williamstown, Mass.	188
Worcester Polytechnic Institute, Worcester, Mass.	350
Yale University, New Haven, Conn.	207
Georgetown University, Washington, D. C.	109
George Washington University, Washington, D. C.	37
Total	8,249

The North Dakota absentee-voters' law, which may be taken as typical, is as follows:

ABSENTEE-VOTERS' ACT.
(Chap. 155, Laws 1913.)

An act to provide a method of voting at any general or primary election by electors absent or anticipating being absent on the day of such election from the county in which they are electors.

SECTION 1 (Absent voter who may vote). Any qualified elector of this State, having complied with the laws in regard to registration, who is absent from the county of which he is an elector on the day of holding any general or primary election, may vote at any such election as hereinafter provided.

SEC. 2 (Application for ballots, made when). At any time within 30 days next preceding such election, any voter expecting to be absent on the day of such election from the county in which his voting precinct is situated may make application to the county auditor of such county for an official absent-voter ballot, to be voted at such election.

SEC. 3 (Absent-voter ballots, how printed). For all elections, either general or primary, there shall be prepared and printed for each precinct official ballots, to be known as absent-voter ballots, which ballots shall be prepared and printed in the same form and shall be of the same size and texture as the regular official ballots, except that they shall be printed upon tinted paper of a tint different than that of the sample ballots.

SEC. 4 (Absent-voter ballot, form of application for). Application for such ballot shall be made on a blank to be furnished by the county auditor of the county of which the applicant is an elector, and shall be in substantially the following form:

I, _____, a duly qualified elector of the township of _____, village of _____, or of the _____ precinct of the _____ ward, of the city of _____, in the county of _____, and State of North Dakota, and, to my best knowledge and belief, entitled to vote in such precinct at the next election, expecting to be absent from the said county on the day for holding such election, hereby make application for an official absent-voter ballot to be voted by me at such election.

Date, _____ (Signed) _____ Post-office address, _____

Provided, That if the application be made for a primary election ballot such application shall also give the name of the political party with which the applicant is affiliated.

SEC. 5 (Application blank, how obtained). Such application blank shall, upon request therefor, be sent by such county auditor to any absent voter by mail, and shall be delivered to any voter upon application made personally at the office of such auditor.

SEC. 6 (Ballots sent, how; affidavit of voter and certificate). Upon receipt of such application properly filled out and duly signed, or as soon thereafter as the official absent-voter ballot for the precinct in which the applicant resides has been printed, the said county auditor shall send to such absent voter by mail, postage prepaid, one official absent-voter ballot, of (or) if there be more than one such absent-voter ballot to be voted by an elector of such precinct, one of each kind, and shall inclose with such ballot or ballots an envelope to be furnished by such auditor; which envelope shall bear upon the front thereof the name, official title, and post-office address of such county auditor, and upon the other side a printed affidavit in substantially the following form:

STATE OF _____, county of _____, ss:

I, _____, do solemnly swear that I am a resident of the township of _____, or the village of _____, residing at _____ in said city, county of _____, and State of North Dakota, and entitled to vote in

such precinct at the next election; that I expect to be absent from said county of my residence on the day of holding such election, and that I will have no opportunity to vote in person on that day.

Subscribed and sworn to before me this _____ day of _____, 19____; and I hereby certify that the affiant exhibited the inclosed ballots to me unmarked; that he then, in my presence and in the presence of no other person, and in such manner that I could not see his vote, marked such ballot and inclosed and sealed the same in this envelope; that the applicant was not solicited or advised by me to vote for or against any candidate or measure.

Provided, That if the ballot inclosed is to be voted at a primary election the affidavit shall state the name of the political party with which the absent voter is affiliated.

NOTE.—If such absent voter is unable to sign his name, he shall make his mark (X), and the officer taking such affidavit shall sign such voter's name and shall state the reason for such affidavit being signed in such manner in his certificate attached to such affidavit.

SEC. 7 (Manner of marking ballot). Such absent voter shall make and subscribe the said affidavit before an officer authorized by law to administer oaths and who has an official seal, and such absent voter shall thereupon, in the presence of such officer and no other person, mark such ballot or ballots, but in such manner that such officer can not see the vote, and such ballot or ballots shall thereupon, in the presence of such officer, be folded by such voter so that each ballot shall be separate and so as to conceal the vote, and be in the presence of such officer deposited by said voter in said envelope and the said envelope securely sealed. Said envelope shall be mailed by such absent voter, postage prepaid.

SEC. 8 (Care of ballot by auditor). Upon receipt of such envelope such county auditor shall forthwith inclose the same, unopened, together with the written application of such absent voter, in a larger envelope, which shall be securely sealed and indorsed with the name of the proper voting precinct, the name and official title of such auditor, and the words, "This envelope contains an absent voter's ballot and must be opened only on election day at the polls while the same are open," and such auditor shall thereafter safely keep the same in his office until the same is delivered by him as provided in the next section.

SEC. 9 (Transmission of ballot to election inspector). In case such envelope is received by such auditor prior to the delivery of the sealed package containing the official ballots to the inspector of elections of the precinct in which such absent voter resides, such ballot, envelope, and application sealed in such envelope shall be inclosed in such package and delivered therewith to the inspector of such precinct. In case the official ballots for such precinct shall have been delivered to such inspector of elections at the time of the receipt by the auditor of such absent-voter ballot, such auditor shall immediately inclose such application and such ballot with the envelope containing such ballot, unopened, in a larger envelope, which shall be securely sealed by him and indorsed on the front with the name, official title, name of precinct, and post-office address of the inspector of elections of the precinct in which such absent voter resides, and the words, "This envelope contains an absent-voter ballot and must be opened only on election day at the polls while the same are open," and forthwith mail the same, postage prepaid, to such inspector of elections.

SEC. 10 (Manner of voting; void or rejected ballots). At any time between the opening and closing of the polls on such election day the inspector or judges of election of such precinct shall first open the outer envelope only and compare the signature of such voter to such application with the signature to such affidavit. In case the judges find the affidavit is sufficient and that the signatures correspond and that the applicant is then a duly qualified elector of such precinct and has not voted at such election, they shall open the absent-voter envelope in such manner as not to destroy the affidavit thereon and take out the ballot or ballots therein contained, and without unfolding the same or permitting the same to be opened or examined, and having indorsed the same in like manner that other ballots are indorsed, deposit the same in the proper ballot box or boxes, showing by the records of such election such elector to have voted. In case such affidavit is found to be insufficient, or that the said signatures do not correspond, or that such applicant is not then a duly qualified elector of such precinct, such vote shall not be allowed, but without opening the absent-voter envelope, the election inspector or judge of such election shall mark across the face thereof, "Rejected as defective" or "Rejected as not an elector," as the case may be. The absent-voter envelope, when such absent vote is voted, and the absent-voter envelope, with its contents, unopened, when such absent vote is rejected, shall be deposited in the ballot box containing the general or party ballots, as the case may be, retained and preserved in the manner as now by law provided for the retention and preservation of official ballots voted at such election.

SEC. 11 (Elector may vote before leaving county). The provisions of this act shall be construed so as to permit any qualified elector of this State who is present in this (his) county after the official absent-voter ballots of such county have been printed, and who has reason to believe that he will be absent from such county on election day as before provided in section 2, to vote before he leaves his county, in like manner as absent voter, and any qualified elector who has marked his ballot as hereinbefore provided, who shall unexpectedly return to his precinct before or on election day, shall be permitted to vote in person, provided his ballot has not already been deposited in the ballot box.

SEC. 12 (Ballots furnished auditor, when). It shall be the duty of the secretary of state, county auditor, or any other officer by law required to prepare any general or primary election ballot, to prepare and have printed and delivered to the county auditor, at least 15 days prior to the holding of such election, a sufficient number of absent-voter ballots provided for in section 5, for the use of all voters likely to be absent from such county on the day of such election.

SEC. 13 (Penalty for violations). If any person shall willfully swear falsely to the affidavit in section 6 provided for, he shall, upon conviction thereof, be deemed guilty of perjury and shall be punished as in such case by law provided. If the secretary of state or any county auditor or any election officer shall refuse or neglect to perform any of the duties prescribed by this act, or shall violate any of the provisions thereof, or if any officer taking the affidavit provided for in section 6 shall make any false statement in his certificate thereto attached, he shall be deemed guilty of a misdemeanor and shall be punished by a fine not exceeding \$100 or by imprisonment in the county jail not exceeding 30 days, or by both such fine and imprisonment.

Approved March 12, 1913.

The front of the North Dakota absentee voter's ballot envelope reads as follows:

[Copy.]

ABSENT VOTER'S BALLOT ENVELOPE.

To _____,
County auditor of _____ County,
_____, North Dakota.

The back of the envelope reads as follows:

[Copy.]

STATE OF _____, County of _____, ss:

I, _____, do solemnly swear that I am a resident of _____ precinct, township of _____, village of _____, the _____ precinct of the _____ ward, in the city of _____, residing at _____ in said city, county of _____, State of North Dakota, and entitled to vote in such precinct at the next general election, November 3, 1914; that I expect to be absent from the said county of my residence on the day of holding such election; and that I will have no opportunity to vote in person on that day.

(Sign here.) _____

Subscribed and sworn to before me this _____ day of _____, 1914; and I hereby certify that the affiant exhibited the inclosed ballots to me unmarked, that he then, in my presence and in the presence of no other person, and in such manner that I could not see his vote, marked such ballots, and inclosed and sealed the same in this envelope. That the affiant was not solicited or advised by me to vote for or against any candidate or measure.

During the Civil War the States named below enacted laws enabling qualified voters engaged in military service of the State or of the United States to cast their votes even when absent from their States.

The second column gives the reference to the volume of the session laws for each State in which such enactment is found. The third column indicates whether or not these laws are still in force; if so, reference to the latest revision of the State laws is given.

State.	Laws.	Remarks.
California.....	Laws 1863-64, ch. 383.....	Not found in Deering's Gen. Laws 1909.
Connecticut.....	Laws 1864, May, ch. 37.....	Limited to the Civil War.
Illinois.....	Laws 1865, pp. 50-53.....	Not found in Hurd's R. S. 1913.
Iowa.....	Laws 1862, extra sess., ch. 29, sec. 30; amended by Laws 1864, ch. 28.....	Not found in Annot. Code 1897.
Kansas.....	Laws 1865, ch. 59.....	Still in force in Dassel's Gen. S. 1900, 3154-3165.
Kentucky.....	Laws 1863-64, ch. 572.....	Repealed in Laws 1865-66, ch. 370.
Maine.....	Laws 1864, ch. 278.....	Not found in Rev. St. 1901.
Maryland.....	Laws 1865, ch. 124.....	Not found in Bagby's Annot. Code 1911.
Michigan.....	Laws 1864, Feb., extra sess., No. 21, pp. 40-52.....	Not found in Howell's Annot. St. 1912.
New Hampshire.....	Laws 1864, ch. 4030.....	Not found in Public St. and Sess. Laws in force 1913.
New York.....	Laws 1864, ch. 253; repealed by being replaced by Laws 1865, ch. 570.....	Repealed entirely by laws 1866, ch. 524.
Ohio.....	Laws 1863, 2d sess., pp. 80-85.....	Not found in Page & Adams Annot. Ohio Gen. Code 1910.
Pennsylvania.....	Laws 1864, extra sess., pp. 43-52.....	Still in force in Purdon's Digest 1903.
Tennessee.....	Laws 1865, 1st sess., ch. 16, sec. 5.....	Not found in Shannon's Code 1893.
Vermont.....	Laws 1863, No. 5; amended by Laws 1864, No. 8.....	Declared unconstitutional in re Opinion of the Judges, 37 Vt., 665.
Wisconsin.....	Laws 1862, extra sess., ch. 11; amended in Laws 1863, regular sess., ch. 59; again amended by 1865, regular sess., ch. 88.....	Not found in Wisconsin Statutes 1913.

In Massachusetts a resolve was adopted in May, 1865, which referred to the next general court a proposal to amend the State constitution to secure the elective franchise to voters of the Commonwealth absent therefrom in the military or naval service of the United States (Acts and Resolves, 1865, p. 695); but apparently this was not agreed to by the next general court, for it is not found in the acts and resolves for the following year.

Mr. HAUGEN. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. WHITACRE]. [Applause.]

Mr. WHITACRE. Mr. Chairman, I desire to call the attention of the committee to a resolution introduced by Mr. MANN (No. 688) and a bill introduced by him, providing for a tariff commission. I am speaking as a Democrat from the State of Ohio, where there is a newspaper in every house every day—and read; where a man must show some reason for voting the Democratic or Republican ticket—some other reason than the fact he was born a Democrat or born a Republican. The people of Ohio are independent in politics. In 1905 the Republicans were dissatisfied with their candidate for governor, and they joined with the Democrats and elected a Democratic governor, and all the balance of the ticket was Republican. In 1908, again, the Republicans were dissatisfied with their candidate for governor and with their candidate for State treasurer.

They joined with the Democrats, defeated their candidate for governor and their candidate for State treasurer, and elected all the Republican ticket, including Mr. Taft. In 1914 the Democrats had their chance to prove their independence. Many thousands of them were dissatisfied with their candidate for governor, and they joined with the Republicans and elected Mr. Willis, late a Member of this House. [Applause.] In one of the districts, represented by Mr. ASHERBROOK, he carried the district by eight thousand and some odd, and Gov. Willis carried the district by 3,300, showing that Democrats of that district were independent politically. So that I am maintaining the proposition that the people of Ohio must be shown and can be shown, and when they are shown in the right way they are willing to follow any political party. Now, I call attention to the first paragraph of Mr. MANN's resolution 688:

Whereas the Democratic free-trade tariff law refused to give due protection to American industries and brought hard times upon the country, which caused an industrial depression such as has not existed since the free-trade days of President Cleveland.

That is the first paragraph of Mr. MANN's resolution. Along the same line and voicing the same sentiment I read an interview published in the New York Times the first Sunday of this month with Judge Gary, who is the head of the Steel Corporation, in which he said:

I can only judge conditions relative to other losses of business by conditions which apply to our own. In 1913 our employees numbered 246,000. At the present time they number only 150,000, notwithstanding we are using every reasonable effort to keep the largest number possible at work by cleaning up our plants, making repairs, and doing other work which would not be done to the same extent at this time except for the peculiar conditions of our men.

And again he says:

It is claimed by many, and it may be true, that business can be accustomed and adjusted to extreme changes in legislation, and it is to be hoped that we may become prosperous even with the law as it now stands.

Referring to the tariff law:

It is, however, certain that business has been depressed during the last year, hundreds of thousands of men have become idle, and that among big business men generally the reasons I have given are some of the influential factors in bringing about these conditions.

Now, in my home town, Canton, Ohio, two weeks ago 500 steel workers were brought together by the superintendent of the plant and they were told by Mr. Cline, the superintendent:

That as the men are paid at present, the new scale will mean a cut of about 14 per cent in wages.

Supt. Cline told the men of the depression in the iron business all over the country, and said that if the men did not care to accept the new scale the mills would close down for the present, for there was enough stock on hand to last a long time. On yesterday Mr. Perkins testified before the Industrial Commission in New York and gave expression to this thought in these words:

Just now for the first time in the history of the corporation we have no profits to divide. The men know it, and so far there has been no complaint. The men know the tariff is responsible for this condition and that we'll not continue under our present tariff.

You hold the tariff responsible for the depression in the steel industry?

Yes; and for a large part of the general depression throughout the country.

Why do you think we will not continue under our present tariff? Because I believe we are bound to come to a tariff worked out on a scientific basis.

When a man like Judge Gary states the fact, when we have conditions like these existing in Canton, Ohio, in the steel business, it is time for the Democrats to take notice that it is a condition and not a theory which confronts them.

And, of course, in the language of Mr. Perkins and in the language of all Republican orators and politicians, some statesmen, and some near statesmen, it is all on account of the tariff. Here are the Democrats tinkering with the tariff. Here are the men out of work. Post hoc, ergo propter hoc—after this, therefore on account of this. You can not argue with a man on a street corner or in a hall when a third or a fourth or one-half of men are out of work. Men are moved by conditions and not by ideas, and the fact of the depression in business following the tariff law is conclusive in their minds. Judge Gary offers another reason, to which I desire to direct your attention for the purpose of proving to you something that I could not prove to men out of work, that the tariff is not really the cause of the present depression in business. Judge Gary says, in that same interview:

Rightfully or wrongfully capital has become impressed with the idea that business is not receiving and could not expect to receive fair treatment. It is a common thing for men of large means to discuss these things, and almost invariably the statement was made that until public sentiment forced the change in the attitude mentioned of antagonism to capital and men in business capital would be withheld from investment in enterprises calculated to restore business.

Now, on the same day that this Gary interview was published, in the same paper was published an interview with Mr.

Forgan, the head of the First National Bank of Chicago, and the present head of the National Reserve Board, in which he made this statement:

Bankers should continue to conserve their resources until the ultimate effect—

Referring to the war in Europe—

on American securities is fully realized. Nothing could be more unsound than to attempt to boom domestic industry by undue expansion of credit until we find out what may be required of us in caring for our foreign indebtedness and for our securities which may be thrown on our home market. I do not mean by this that we should not proceed with business in the normal way and take advantage of our opportunities as they arrive. It will, however—

Coming from Mr. Forgan, every banker in the country will take notice—

It will, however, be prudent on the part of the banks to conserve their strength and husband their resources under the present worldwide conditions.

In the January issue of United States Securities and Government Finances, issued by the National City Bank of New York, I find this paragraph:

Over against these encouraging conditions, there looms up the European situation. No calculations for the future can be made without regard for the influence of the war, and as there is no knowing how long the war will last, large undertakings, which involve public financing, and commitments for the future are not likely to be begun. Moreover, it will have to be an exceptionally promising new enterprise that can make a stronger appeal to capital than the old and seasoned securities and government bonds that for a long time will be available on unusual terms. This is the underlying weakness of the industrial situation.

It will have to be an exceptionally promising new enterprise that will make a strong appeal to capital while the securities that were held in Europe are thrown back in this country on account of the war. Here are two statements, one by Mr. Perkins and one by Mr. Gary, that the cause of the depression in the United States and this reduction in wages is the tariff, and the other is the statement of Mr. Gary that it was because of the fact that business felt they could not and would not receive fair treatment, and therefore were withholding and would continue to withhold capital. They are also advised by Mr. Forgan and the National City Bank to withhold capital because of the war.

Now, to prove that capital has been withheld it is only necessary to call your attention to what the railroads did last year. There was published in the Evening Star of this city last Saturday what purports to be an extract from the Railway Age, which shows that the passenger cars ordered in 1914 were 80,264 against 146,732 in 1913. Locomotives ordered were 1,265 in 1914 against 2,467 in 1913. Freight cars built in 1914 were 104,541 as against 207,684 in 1913. Now, in this connection I desire to call your attention to a pamphlet which was published by Mr. E. P. Leigh, of Chicago, the president of the Chicago Railway Equipment Co., in which he maintains the proposition that railway purchases are a true index of business prosperity; that when the railroads cease purchasing then general prosperity goes down, and when the railroads resume purchasing general prosperity always goes up. Why? Because he says that from 40 to 50 per cent of iron and steel is directly or indirectly consumed by the railroads. If they are the consumers of steel in this country to the extent of 50 per cent of the entire production and they reduce their purchases one-half, then the iron and steel business would lose 25 per cent of its trade, because that is the amount of their trade.

Now, the figures bear that statement out. The pig-iron production in this country last year was 25.3 per cent under that of 1913. There were 22,934,000 tons produced as against 30,738,494 tons of the year before. The loss of steel orders was 30.6 per cent, so that the loss the steel and iron industry has suffered in this country is exactly the loss they sustained by the railroads refusing to buy. That is a general answer for the Democrats; but that will not do in Ohio when men are out of work, as they will be in 1916. You can not go onto any street corner or into any hall in a town and make an explanation of these things. There is the fact of the empty dinner pail and the reduced pay envelope, and what answer have the Democrats? You can not put your hand on any one item of this tariff and tell which item is the most affected. Mr. Gary in this interview says depression is caused by manufacturers in Europe, with cheap labor, cheap raw material, dumping their surplus products into this country; but if he were asked in what particular line of industry that was happening he would be hard up for an answer, because the figures show, so far as the importations are concerned in the iron and steel industry, that in 1912 the total importations were \$23,185,000; in 1913, \$28,292,000; and in 1914, \$24,947,000; so that we have suffered a loss of imports of iron and steel of over \$4,000,000; that is, we have imported \$4,000,000 less. So it was not the surplus of iron and steel that came in here that caused it. But the Democrats are not

able to defend their proposition as to any one item that the tariff did not injure. Here is the fact of a general depression, and it is very easy to say it is caused on account of the tariff.

The Democrats charged the Republicans with extravagance, charged them with being a billion-dollar Congress, but when they had their own Congress it was more than a billion-dollar Congress. You could not lay your hand on an item that you would cut out. If you challenge them to lay their hands on any particular industry where the imports have closed up the factories, they can not do it.

Take the pottery industry. When the Democrats were about to revise the tariff, in 1913, the manufacturing potters made an announcement in their home newspapers down in my district that, on account of the threatened revision of the pottery schedule about to be made by the Democrats, at the forthcoming meeting with the potters' union they would demand a large reduction in wages.

They were all prosperous at that time, and they are now. Acting through the Bureau of Foreign and Domestic Commerce, at my suggestion Mr. Redfield sent some accountants to East Liverpool, and the very moment they landed there all talk of a reduction of wages stopped. Mr. Wells, representing the pottery manufacturers, came before the Committee on Ways and Means and made a statement which was absolutely true, that the general average earnings of the potteries were only about 6 per cent. But these accountants when they got into the potteries found as follows:

SUMMARY OF RESULTS.

EARNINGS AND LOSSES.

1. The net earnings of eight American potteries on capital invested were from 15 to 21 per cent, and their average rate of earnings was 17.87 per cent. Their average rate of earnings on the value of their product was 14.32 per cent. These eight potteries produced 45.65 per cent of the total value of the product of all potteries investigated and their capital was 40.73 per cent of the total capital invested.
2. Two establishments had net earnings of from 10 to 15 per cent on capital invested. Their average rate of earnings on capital invested was 12.75 per cent and upon the value of their product 11.30 per cent. Their proportion of the total capital invested was 5.5 per cent and of the total value of product 5.57 per cent.
3. Nine establishments had net earnings of from 5 to 10 per cent on capital invested. Their average rate of earnings on capital invested was 6.29 per cent and upon the value of their product 6.22 per cent. Their proportion of the total capital invested was 31.16 per cent and of the total value of product 28.32 per cent.
4. Six establishments had net earnings of less than 5 per cent on capital invested. Their average rate of earnings on capital invested was 2.52 per cent and upon the value of their product 2.36 per cent. Their proportion of the total capital invested was 13.25 per cent and of the total value of product 12.73 per cent.
5. Three establishments had losses. Their average rate of losses on capital invested was 4.68 per cent and upon the value of their product 5.09 per cent. Their proportion of the total capital invested was 9.36 per cent and of the total value of product 7.73 per cent.
6. The average rate of turnover for all establishments was 111.35 per cent. In all but seven the rate of turnover was over 100 per cent, the lowest being 62.58 per cent and the highest 149.6 per cent. The pottery industry is not a seasonal one, and the product is turned out with great rapidity and regularity.

COST OF PRODUCTION.

7. For all materials and all expenses except labor the difference in manufacturing costs of production between the average of the six English and of the six American potteries was 2.05 per cent. These costs combined were higher in the United States by that percentage.

For the highest-cost potteries in both countries the combined cost was 2.69 per cent higher in the United States. Comparing the two lowest-cost establishments in both countries, the combined cost was 14.76 per cent higher in the United States. The combined cost of all materials and expenses except labor in the highest-cost pottery in England was 20.33 per cent higher than in the lowest-cost pottery in the United States.

8. The average labor cost of production was \$1.8 per cent higher in the six American potteries than in the six English potteries. It was 69.1 per cent higher in the United States, when the two highest-cost potteries were compared and 103.97 per cent higher in the United States when the two lowest-cost potteries were compared. Comparing the lowest-cost pottery in the United States with the highest-cost pottery in England, the labor cost of production was higher in the United States by 48.21 per cent.

9. The total cost of manufacture, including all materials, labor, fuel, and office expenses, for the six establishments in the United States and in England, was higher in the United States by 38.43 per cent.

In the highest-cost establishments it was 30.85 per cent higher in the United States. In the lowest-cost establishments it was 56.47 per cent higher in the United States. Comparing the highest-cost pottery in England with the lowest-cost pottery in the United States, it was higher in the United States by 14.63 per cent.

Now, as to this pottery schedule, the Democrats can lay their hands on that report and say that they did not injure the industry, and here are the figures. You can say to the pottery manufacturer, "Your men do not suffer any loss of wages, because the Democrats, so far as that tariff is concerned, have given you three times as much as the best factory over there requires."

Mr. ASHBROOK. Mr. Chairman, will my colleague yield?

Mr. WHITACRE. Yes.

Mr. ASHBROOK. How much was the pottery schedule lowered?

Mr. WHITACRE. The old pottery schedule was 50 and 55 per cent for plain ware and 55 and 60 per cent for decorated ware. This reduction was to 30 and 35 for plain and to 40 and 45 for decorated ware. But the point of it was that the competition comes in china that is made in England; the best ware, made in Germany and France, known as high-grade china, which comes over here and was competing with our earthenware. But that rate is 50 and 55 under the present tariff.

This is the only item, however, in the entire schedule, so far as I know, where the Democrats can challenge the Republicans and say, "We did not injure you by a reduction." I can not go to the miner and tell him, or the iron man, that the tariff did not bother them. I can not go to the cutlery man and tell him that the tariff did not bother him, because I can not prove an item.

Mr. COOPER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Wisconsin?

Mr. WHITACRE. Yes, sir.

Mr. COOPER. So far as statistics are concerned, I am not an expert, but I will give the gentleman this instance: Mr. Moore, of the firm of Moore & Jones Hardware Co., a gentleman of high business repute in my city, whose word is unquestioned anywhere, told me that about a year ago he was in Pensacola, Fla., and went into an establishment there and saw some steel, and he said, "Where did you get this?" And they said, "We got this from Belgium," and told him the figures. He said, "Is it possible?" They said, "Yes," and they showed him the invoice. They said, "We can get this cheaper from Belgium than we can get it from Birmingham, Ala."

Mr. WHITACRE. That is exactly what I am fighting. Here is the point that I make: The Democrats put on themselves the burden to revise the tariff without injury. We went out to the country and said, "We can and will reduce this tariff downward, but we will not injure anybody." Now, that putting on ourselves the burden of doing it without injury was self-imposed. We held ourselves out as capable of doing that. My proposition is now that, so far as the pottery industry is concerned, we have done it, and we can prove it.

Now, then, if you accept the proposition of Mr. MANN's bill, or any other similar bill, and let a real, genuine tariff commission be appointed, it will do the same thing for all the industries that are complaining that they have been injured, in a spirit of fairness, and get the truth. Then when a man comes around and has a legitimate claim for injury we can say, "Let us see whether or not you have been injured. If you have been injured, we, as Democrats, following our promise and finding you have been injured, are willing to make reparation." [Applause.]

Now, when you go before the people of the State of Ohio with a proposition of that kind, you will let them know that you at least are honest and that you are willing to find out what the truth is.

Mr. BARNHART. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Indiana?

Mr. WHITACRE. Yes.

Mr. BARNHART. Does the gentleman know that near the close of the session of 1910, when the tariff bill was pending, I offered a provision to the bill providing that a tariff commission should be appointed—one member by the majority side of the House, one member by the minority side, one member by the majority side of the Senate, one by the minority side, and the fifth man by the President—and that it was defeated by the Republicans?

Mr. WHITACRE. Yes; and it is to your credit.

Mr. MANN. The gentleman never did that.

Mr. BARNHART. You will find it in the RECORD.

Mr. MANN. The gentleman may have inserted something of that kind in a leave to print.

The CHAIRMAN. No gentleman can interrupt a speaker on the floor without getting his consent.

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Wisconsin?

Mr. WHITACRE. Yes.

Mr. LENROOT. Along the line of the gentleman's suggestions, does not the gentleman think that a tariff commission composed of experts is much to be preferred to one composed of membership of this House appointed by either side of this body?

Mr. WHITACRE. Assuredly. These men who went down to East Liverpool were given free access to every book in every factory. They went to England, and were given free access to the books of the factories in England—six of those factories. They

went through every item carefully, and found out exactly what the facts are, and you do not need to guess. You might make a tariff in that way without any guesswork. This other method is patchwork and guesswork.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. WHITACRE. Yes.

Mr. ADAIR. Does the gentleman understand that the manufacturers of England will turn their books and records over to an American commission to investigate their business?

Mr. WHITACRE. I know that six factories over there did do it.

Mr. ADAIR. I am not disputing the gentleman's word, but it is a matter of surprise to me that an English factory would do that.

Mr. WHITACRE. Yes; they did that.

Mr. McLAUGHLIN. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Ohio yield to the gentleman from Michigan?

Mr. WHITACRE. I do.

Mr. McLAUGHLIN. As to seeking the difference in cost of production here and abroad, that is in accordance with the Republican idea of the tariff, is it not? [Applause on the Republican side.]

Mr. WHITACRE. That is exactly in accordance with the Democratic platform on the tariff, to revise the tariff without injury. [Applause on the Democratic side.]

Mr. GOOD. Will the gentleman yield?

Mr. WHITACRE. Yes.

Mr. GOOD. Then, if I understand the gentleman, he is willing that we should enact a law levying a tariff duty that will equal the difference between the cost of production in this country and abroad?

Mr. WHITACRE. So long as we agreed to revise the tariff without injury to any industry we have got to get that difference in the cost of production. [Applause on the Republican side.]

Mr. GOOD. And that is what the gentleman is in favor of, is it not?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN. I hope the gentleman will be given more time, and that he will be allowed to go ahead without other gentlemen wasting his time.

Mr. HAUGEN. Mr. Chairman, how much time have I?

The CHAIRMAN. The gentleman has 63 minutes.

Mr. HAUGEN. I yield to the gentleman 10 minutes more.

Mr. WHITACRE. Now I come to the remedy. The gentleman from Illinois [Mr. MANN] has introduced a bill which provides that the majority of the Ways and Means Committee shall appoint one member, and the minority of the Ways and Means Committee shall appoint another member, and that the majority of the Finance Committee of the Senate shall appoint a member, and the minority of the Finance Committee of the Senate a member, and the President one, and that these shall constitute the tariff board. Now, I introduced a bill in 1913 providing for a tariff commission to be appointed, three members by the Ways and Means Committee, three by the Finance Committee of the Senate, and one by the President, a similar proposition, differing only in the number.

Suppose we had a law like that now, and suppose this concern in Canton, Ohio, had reduced the wages of the men 14 per cent, and had said, as Mr. Perkins says, that the men understand it is on account of the tariff. Suppose we could find out the exact truth, and could ask them to come here and tell the truth, or allow your men to go there and get the truth. Then, if that tariff is too low, and those men have been thrown out of employment for that reason, or their wages reduced on account of that tariff, the fact would be discovered, and the Democratic promise would be kept by revising that particular schedule.

Mr. COOPER. Will the gentleman permit an interruption?

Mr. WHITACRE. Yes.

Mr. COOPER. The gentleman then proposes to have a tariff that shall not injure an American industry?

Mr. WHITACRE. That is the Democratic platform.

Mr. COOPER. That means to protect. Now, you have had one Democratic platform which said that a tariff to protect an American industry, levied for that purpose, was unconstitutional, and that we had no right to pass it.

Mr. WHITACRE. I am not responsible for what some man, at 2 o'clock in the morning, put in a platform. [Laughter and applause.]

Mr. ADAIR. May I ask the gentleman a question?

Mr. WHITACRE. Yes.

Mr. ADAIR. Does the gentleman believe that a tariff levied sufficiently high to cover the difference in the cost of manu-

facture between this and foreign countries would raise enough revenue to run the Government?

Mr. LENROOT. It always has.

Mr. WHITACRE. I am not an expert, you see. That is the objection I have to the present method of framing tariff bills. I recognize the fact that the House of Representatives must do this work, of course, but what gentleman here, if some member of his family were sick, would blindfold himself and grope his way out of the house and downstairs onto the street, and grab the first man he met, with the expectation of finding a physician? He would get a gravedigger, more likely. [Laughter.] So I say, however much you may know about the tariff items, you should know enough about the subject to revise the tariff without injury, and unless you have aid you can not do it; and so long as that is in the Democratic platform, neither the Ways and Means Committee nor anybody else has any right to disregard it.

Now, there is another way of doing this. The President claims that the Trade and Commerce Commission about to be appointed have this authority. I can not find it in the law, but I have introduced a bill—H. R. 20848—which provides in so many words that they shall be given this authority by adding another subdivision, I, to section 6, providing that this commission shall be authorized to secure information for the Ways and Means Committee and the Finance Committee. That is another way to do it.

Mr. GORDON. Will the gentleman yield for a question?

Mr. WHITACRE. Yes.

Mr. GORDON. How do you propose to require a manufacturer to open his books to a Government expert? Where do you get any law for that, authorizing a Government agent to go into a man's business and look at his books, if a man does not want him to?

Mr. WHITACRE. Why, the Government has that authority now, authorizing the Department of Commerce to do that. That was how they went into the potteries at East Liverpool and got the facts. That is the law now.

Mr. GORDON. Suppose I was running a business, and I refused to allow the Government agent to go in and examine my books. Will you tell me where he would get any authority to do it?

Mr. WHITACRE. He would simply lay down the law to you.

Mr. GORDON. I would lay the Constitution down to him.

Mr. WHITACRE. What is there in the Constitution which prevents it? You would have to go to the courts to find out whether the Government has any such authority or not; but there is such a law on the statute books.

Mr. GORDON. I do not think the Government has any such right.

Mr. WHITACRE. I point to what the Government has already done.

Mr. GORDON. You are talking about a law that Congress had no right to pass. Of course nothing can be done under such a law as that.

Mr. WHITACRE. I think I have said enough to make plain what I think is the duty of the Democrats.

You can go down into Alabama or Louisiana, and you can tear up the railroad tracks and throw them into the Gulf; you can destroy the sugar plantations, and the people will still vote the Democratic ticket; but you can not go to Ohio and close up any factory and continue to elect Democrats to Congress. [Applause on the Republican side.]

Mr. BROCKSON. Will the gentleman yield?

Mr. WHITACRE. I will.

Mr. BROCKSON. Did the gentleman vote for the passage of the Underwood tariff law?

Mr. WHITACRE. I did.

Mr. BROCKSON. Does the gentleman think it has had a fair trial?

Mr. WHITACRE. I do not think so.

Mr. BROCKSON. Then why change a law until it has had a fair trial?

Mr. WHITACRE. I do not want to change the law until we find out what is right.

Mr. BROCKSON. The gentleman can not point to any item that is wrong until you have had sufficient time to try out the working of the law.

Mr. WHITACRE. I have made the argument that you can not show that the general depression is due to the tariff law. You take the barber and the grocery man and the men who work in these factories, and they believe that to the tariff law is due the reduction of wages, whether it is or not, and I want to prove that it is not, and I say that this is the method to prove it.

Mr. HAUGEN. Mr. Chairman, I yield three minutes to the gentleman from South Carolina [Mr. LEVER].

Mr. LEVER. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. BARNHART].

Mr. BARNHART. Mr. Chairman, a good many times within the seven years that I have been a Member of this House the gentleman from Illinois [Mr. MANN] has seen fit to sneeringly refer to statements that I have made on the floor of the House. He has sometimes openly denied statements that I have made, not especially to his credit, as I understand it. I have always tried to be gentlemanly and honest, but within the last 15 minutes the gentleman from Illinois, leader of the Republican Party, saw fit to dispute my statement that I had attempted to get a nonpartisan commission amendment to the Republican tariff bill of January, 1911.

I want to call the gentleman's attention to page 1699 of the CONGRESSIONAL RECORD of January 30, 1911. In the last column of that page, in the center of the page, the RECORD says:

Mr. BARNHART. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

"Strike out all after the word 'appointed,' in line 5, page 1, up to and including the word 'office,' in line 6, page 2, and insert the following:

"One by the President, two by the Presiding Officer of the Senate, and two by the Presiding Officer of the House of Representatives; the membership of the two leading party organizations in each branch of Congress to each nominate and certify one Representative, who shall be appointed by said presiding officers. The Members appointed under this act shall continue in office from the date of qualification for the terms of two, three, four, five, and six years, respectively, from and after the 1st day of January, 1912, the term of each to be designated by the President; but their successors shall be appointed, as hereinbefore provided, for terms of six years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the Member whom he shall succeed. The majority of the board shall designate a member to be chairman thereof during the term for which he is appointed. Any member may, after due hearing, be removed by the President for neglect of duty or malfeasance in office."

To that amendment I offered some remarks, and was very strongly opposed by the gentleman from Connecticut, Mr. HILL, whose remarks appear on page 1700. By reference to the second column of page 1700 it will be seen that on this vote there was a division, and the ayes were 130 and the noes 149, almost, as I remember it, a solid Republican membership voting against the amendment and the Democrats voting for it. [Applause.] I do not need any apology from the gentleman from Illinois.

The CHAIRMAN. The gentleman from Indiana yields back two minutes.

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, the gentleman from Indiana, who is exceedingly touchy about every proposition that he introduces, said that I denied that he offered such a proposition. I did not. I shall not change my statement that was made in the RECORD. I said that the Republicans never heard of it. Well, technically, I may have been incorrect. The gentleman offered the amendment on the floor of the House and said that he explained it. Either his explanation was not listened to by the Republicans or was so very ineffective that no one understood it. Mr. HILL made a speech against it.

Mr. BARNHART. Mr. Hill must have understood it, then.

Mr. MANN. And this is what Mr. Hill said. Let us see whether, after I read it, the gentleman from Indiana will say that he understood it. Referring to the amendment of the gentleman from Indiana, Mr. Hill said:

The amendment of the gentleman from Indiana [Mr. BARNHART] would do what? It would take what is now a Republican board and what is proposed to be made a Republican and Democratic board of impartial investigators and turn it into a board of five members, all of one party, if it should happen that in the future the House of Representatives and the Senate should be again in harmony politically. I am opposed to that as a Republican. I do not want to see this impartial board of tariff investigators all Republicans. I want to see both parties fairly represented.

Will my friend from Indiana now claim that Mr. Hill understood the proposition? If the gentleman was proposing a tariff board all of one party, if that was the gentleman's amendment, I never read it. If that is the gentleman's amendment, he can stand for it; certainly the Republicans would not stand for it.

Mr. BARNHART. Will the gentleman yield?

Mr. MANN. Yes.

Mr. BARNHART. I read the amendment, and it is there before him. If the gentleman did not listen to it, it is not my fault. I tried to read it distinctly.

Mr. MANN. I am not criticizing the gentleman from Indiana.

Mr. BARNHART. It does not depend upon the question of whether the gentleman understood it.

Mr. MANN. The gentleman said that Mr. Hill understood it, and I read what Mr. Hill said. Does the gentleman claim now that Mr. Hill understood it?

Mr. BARNHART. I do not know whether he did or not.

Mr. MANN. No other Republican referred to it on the floor. The amendment was offered like a lot of other amendments to

which no one listens, or else the explanations are so mixed up that no one can understand it. Now the gentleman says that the Democrats voted for it, and I assume that he claims that they understood it. Well, if they voted for it and provided for a tariff commission along the same lines, or very much the same lines, as the bill which I have introduced, are they now ready to vote for that? It is immaterial how they voted two years or three years ago. It is material how they will vote and act now. The Democrats then were in the minority. Now they have a two-thirds majority of the House. If they were in favor, or are in favor, of a tariff commission composed of men selected by the membership of both parties in the House and the Senate, let the Ways and Means Committee bring in a bill and we will pass it at the drop of the hat. [Applause on the Republican side.] Quit your four-flushing and attend to business.

I introduced a tariff commission bill providing that one member of the tariff commission should be selected by the majority of the Ways and Means Committee of the House, removable at their pleasure, one man selected by the minority of the Committee on Ways and Means of the House, one by the majority of the Finance Committee of the Senate, one by the minority of the Finance Committee of the Senate, and one by the President. That would, if now enacted into law, give the Democrats three members and the Republicans two members, and both parties would have the right to have confidence in the members whom they had selected; and whether the majority or the minority of the tariff commission should have their opinions followed, if we came into power, as we will, we would have confidence in the report of the members of the tariff commission appointed by the Republican members of the House and the Senate committees, and the Democrats would have confidence in the reports of the members selected by them. If they should agree upon a report, it would be overwhelming; and if they did not agree, the parties respectively appointing them would probably have confidence in their judgment.

Mr. BARNHART. Mr. Chairman, is the gentleman reading that from my remarks? If he is not, he will find them right there.

Mr. MANN. I am not, because they are not here.

Mr. WHITACRE. Mr. Chairman, has the gentleman made any effort to have the Ways and Means Committee report his bill?

Mr. MANN. I have.

Mr. WHITACRE. Any success?

Mr. MANN. Not yet.

Mr. PETERSON. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. PETERSON. The gentleman has been in this House a great many years. Has he ever made any effort to have that kind of a bill passed while the Republicans were in power?

Mr. MANN. I never did. Even I learn by being in the House. That can not be said of many Democrats. [Applause on the Republican side.]

Mr. LENROOT. Mr. Chairman, will the gentleman yield?

Mr. MANN. Yes.

Mr. LENROOT. Does the gentleman understand that the amendment proposed by the gentleman from Indiana [Mr. BARNHART], which the gentleman is now discussing, was an amendment striking out a provision for a real tariff board and inserting the proposal which he recommends?

Mr. MANN. To tell the truth, I never heard of the proposition of the gentleman from Indiana. I do not think anybody on our side of the House did. Officially I suppose we were informed, but practically we were not; but I commend the efforts of the gentleman from Indiana to secure a nonpartisan, or rather a by-partisan, tariff board.

However, Mr. Chairman, I did not get time for the purpose of discussing this question to-day. There is another little thing that I want to call to the attention of the House, in good humor, and I say in good humor because it is almost an offense in this House nowadays to refer to the last Democratic platform. You will remember that the last Democratic platform closed by saying:

Our platform is one of principles which we believe to be essential to our national welfare. Our pledges are made to be kept when in office as well as relied upon during the campaign, and we invite the cooperation of all citizens, regardless of party, who believe in maintaining unimpaired the institutions and traditions of our country.

Just before the Democratic convention met at Baltimore, the gentleman from Alabama, now Judge Clayton, had introduced into the House, and had reported favorably from the Committee on the Judiciary, a joint resolution proposing an amendment to the Constitution of the United States providing that no person who has held the office of the President shall be eligible to hold that office again. This resolution had just

been reported into the House. It was reported to the House on June 13. The Democratic platform was erected within a month after that time, and contained this plank:

We favor a single presidential term, and to that end urge the adoption of an amendment to the Constitution making the President of the United States ineligible for reelection, and we pledge the candidate of this convention to this principle.

Mr. Chairman, if I had the time I might refer to other planks in the Democratic platform not one of which do they pretend to keep, but here is a plank where they pledge the candidate to the principle of one term for President. It is true that the Democrats abandoned the resolution of Judge Clayton for one term, but the abandonment of that by the Democrats in the House does not excuse the President who was pledged to the principle of one term upon a platform which says:

Our platform is one of principles which we believe to be essential to our national welfare. Our pledges are made to be kept when in office as well as relied upon during the campaign.

Yet I notice on every side that the distinguished gentleman who is now President of the United States is building up a personal machine, as far as he can, to secure his re nomination. With such eminent officeholders as Judge Folk and Mr. Davies in prominent positions, mainly engaged in trying to build up a personal organization for the President, with the President quarreling with the joint appointing power at the other end of the Capitol, with the President constantly refusing to listen to advice of Democratic Members of this House unless they agree to do what he wants, I ask you gentlemen whether you think he is following the pledge of the Democratic convention in respect to the principle of one term? He has it within his power to keep one plank of the platform safely at least. Will he do it? He has repudiated the other planks. You have refused to carry out the other planks. Will the President, having accepted an election and a nomination on the principle of one term, keep even one plank in the Democratic platform? [Applause on the Republican side.]

Mr. HAUGEN. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. MORGAN].

Mr. BARNHART. Mr. Chairman, before the gentleman begins, will the gentleman from Oklahoma yield to me for a moment?

Mr. MORGAN of Oklahoma. Yes.

Mr. BARNHART. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD in furtherance of what I read a while ago by inserting remarks I made in favor of a tariff commission in January, 1911.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. LENROOT. Will the gentleman consent in extending his remarks to insert the original text of the section of the bill to which he offered this amendment?

Mr. BARNHART. I will gladly do it, and I will ask to insert the remarks of the gentleman from Connecticut, Mr. Hill, and of Mr. GRAHAM and of Mr. UNDERWOOD, which, with the vote of 279 on the amendment, conclusively proves that the amendment was fully considered.

Mr. LENROOT. With the understanding that the gentleman will insert the original text of the bill—

Mr. BARNHART. I will be glad to do so.

Mr. MANN. Mr. Chairman, reserving the right to object, and I shall not object, I am very glad to see my friend from Indiana come down from the pedestal that he usually stands upon in reference to other people inserting matter, not only re copied from old copies of the RECORD, but from newspapers, and so forth, and it illustrates how necessary it is at times to do those things. If it was anybody else, he would object.

Mr. BARNHART. Oh, no; I would not.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BARNHART. The original text of the bill is as follows:

Be it enacted, etc., That a board is hereby created, to be known as the tariff board, which shall be composed of five members, who shall be appointed by the President. The members first appointed under this act shall continue in office from the date of qualification for the terms of two, three, four, five, and six years, respectively, from and after the 1st day of July, A. D. 1911, the term of each to be designated by the President; but their successors shall be appointed for terms of six years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The President shall designate a member of the board to be the chairman thereof during the term for which he is appointed. Any member may, after due hearing, be removed by the President for inefficiency, neglect of duty, or malfeasance in office. Not more than three members of said board shall be members of the same political party. Three members of said board shall constitute a quorum. The chairman of said board shall receive a salary of \$7,500 per annum and the other members each a salary of \$7,000 per annum. The board shall have authority to appoint a secretary and fix his compensation, and to appoint and fix the compensation of such other employees as it may find necessary to the performance of its duties.

To this, Mr. Chairman, I offered an amendment which, with the proceedings thereon, were as follows, as shown on pages 1699 and 1700, CONGRESSIONAL RECORD OF January 30, 1911:

Mr. BARNHART. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

"Strike out all after the word 'appointed,' in line 5, page 1, up to and including the word 'office,' in line 6, page 2, and insert the following:

"One by the President, two by the Presiding Officer of the Senate, and two by the Presiding Officer of the House of Representatives; the membership of the two leading party organizations in each branch of Congress to each nominate and certify one Representative, who shall be appointed by said presiding officers. The members appointed under this act shall continue in office from the date of qualification for the terms of two, three, four, five, and six years, respectively, from and after the 1st day of January, 1912, the term of each to be designated by the President; but their successors shall be appointed, as hereinbefore provided, for terms of six years, except that any person chosen to fill a vacancy shall be appointed only for the unexpired term of the member whom he shall succeed. The majority of the board shall designate a member to be chairman thereof during the term for which he is appointed. Any member may, after due hearing, be removed by the President for neglect of duty or malfeasance in office."

Mr. BARNHART. Mr. Speaker, I will not detain the House with a long argument in support of this amendment, but I want to call attention to two or three features of it that I believe might be accepted with advantage to the bill by the Members on both sides of the House. We heard in the recent campaign a great deal of talk about tariff commissions and the independent press, the magazines, the newspapers, and the political-economy authorities—in fact, everybody of an independent turn of mind has been advocating the theory that a commission or a board that would secure, in a nonpartisan way, facts to be presented to the Ways and Means Committee of the House to aid them in securing or adopting a tariff bill that would be advantageous to all the interests of the country.

It has been stated on this floor that the entire campaign in Indiana was conducted this year for and against a tariff commission. This statement is partly right and partly wrong. In many places in the State, as in my own district, the campaign was waged against the doctrine that the President of the United States ought to have the partisan right to name all the members of a tariff commission. On the other hand, it was urged that if a tariff commission was necessary it ought to be established on a bipartisan basis.

I have discovered that the Democratic members of the Ways and Means Committee, after a conference on this bill, have succeeded in influencing the Republicans to consent that the membership of this committee shall be bipartisan, and that it shall report to the House instead of to the President. I think I understand what the word "bipartisan" means, but I am not quite ready to admit that the present President of the United States is able to comprehend fully the word "bipartisan." I believe a President who will name a Dickinson and a MacVeagh as members of his Cabinet and denominate them Democrats is not competent authority to name a bipartisan board of any kind.

I want to call special attention to the fact that this amendment provides that the membership shall be appointed one by the President, one by the minority side of the House, one by the majority side of the House, one by the minority side of the Senate, and one by the majority side of the Senate, which will constitute a board composed of three Republicans and two Democrats.

There are two other features of the amendment I want briefly to call attention to. One is in line 2, page 2, where it provides that the President shall appoint the chairman of this board. I would have it provide that the membership of the board itself shall select its own chairman.

In line 5, page 2, the provision is there set forth that the President may remove any of these tariff board members for inefficiency. I believe that is entirely too broad, and that the word "inefficiency" should be stricken out, for the reason that a radically and intensely partisan President might remove any member of the board, however efficient he might be, for alleged cause of inefficiency, notwithstanding he might be qualified, in the opinion of the people of the country. I trust that the spirit of fairness on that side of the House and the spirit of self-preservation on this side of the House may influence you all to let this amendment prevail. [Applause.] It is fair, the country will so regard it, and anything else than a fair arrangement of a tariff board will not be satisfactory to the welfare of the country, which we ought to serve. [Applause.]

Mr. GRAHAM of Illinois rose.

The SPEAKER. Does the gentleman rise to oppose the amendment?

Mr. GRAHAM of Illinois. No; I am in favor of the amendment.

Mr. HILL. Mr. Speaker, I rise to oppose the amendment. So far as my vote is concerned, in the committee or on the floor, it has been cast and will be cast in favor of a perfectly fair proposition to honestly ascertain the facts in regard to the present tariff law or any future revision and have those facts laid honestly before Congress. I made the motion, at the request of the Democratic members of the committee, to permit the House of Representatives to instruct the board to furnish information on any subject whatever. The amendment of the gentleman from Indiana [Mr. BARNHART] would do what? It would take what is now a Republican board and what is proposed to be made a Republican and Democratic board of impartial investigators and turn it into a board of five members, all of one party, if it should happen that in the future the House of Representatives or the Senate should be again in harmony politically. I am opposed to that as a Republican. I do not want to see this impartial board of tariff investigators all Republicans. I want to see both parties fairly represented.

Mr. BARNHART. Will the gentleman yield?

Mr. HILL. I decline to yield. I want to say that this would be entirely unfair to you gentlemen, if we should win the control of the House of Representatives two years from now. It would leave it unfair to us if you should elect a President two years from now, and I believe, partisans though we are—and I am one—that in a matter of this kind we want to be fair, and that the American people will see that we are fair, whether we want to be or not.

Mr. UNDERWOOD. Will the gentleman yield?

Mr. HILL. With pleasure.

Mr. UNDERWOOD. The gentleman from Connecticut evidently does not understand the amendment.

Mr. HILL. The amendment, as I understand it, makes the Speaker of the House appoint two, the Presiding Officer of the Senate two, and the President of the United States one.

Mr. UNDERWOOD. The gentleman's amendment provides that one of the men who is appointed by the Speaker shall be nominated to him by one of the political parties in control of this House and the other one by the other political party, and the same thing in the Senate; so of necessity it will always require two different political parties.

Mr. HILL. Mr. Speaker, one word more. When the Chicago platform was made, laying down the principle of Republican protection, it seems to me it compelled, from the very nature of the platform, a tariff board or a tariff commission or a board of nonpartisan or bipartisan investigators. I have heard many statements on the floor this afternoon that the Denver platform did not require it, and that it did not need a board of impartial investigators in order to make a tariff for revenue only. I call the attention of the gentlemen on the other side of the House to the Denver platform, in which there are three propositions that you must take care of in making your tariff. First, that articles entering into competition with trust-controlled products shall be free. How are you going to know about it? Second, that the articles especially competing with American manufactures that are sold abroad more cheaply than at home shall be free. How are you going to know about it? Finally, that you shall not make a tariff for revenue only, but that you shall gradually reduce your tariff to a tariff for revenue. You need abundant information to do that.

I saw in the paper the other day that the new Ways and Means Committee would meet immediately after the 4th of March, and that they were to conduct these investigations, and that the Democratic national committee was to pay the bills. I believe as a Republican that you have just as much right that the Government should pay your bills as we had two years ago when we came into the House of Representatives and asked that the Government should pay the expenses of the Ways and Means Committee then, and that you have the right to go to the President of the United States and ask him to order this bipartisan board, fairly constituted, to give you such information as you need, and when you meet here next fall, if we can riddle your tariff for revenue only, then let the country decide against you, and if we can not, let them decide against us.

Mr. JAMES. Will the gentleman yield?

Mr. HILL. I would if I had the time.

The SPEAKER. The gentleman's time has expired.

Mr. GRAHAM of Illinois. Mr. Speaker, I wish to say a few words on the pending amendment.

The SPEAKER. But time for debate is exhausted.

Mr. GRAHAM of Illinois. I move to strike out the last word of the amendment.

The SPEAKER. The gentleman is recognized.

Mr. GRAHAM of Illinois. Mr. Speaker, I think the amendment of the gentleman from Indiana ought to prevail. There is a principle involved in it which is fundamental and which I want to suggest to the House before the vote is taken. It is not on any partisan lines, it is deeper than that; neither is it that the President might not appoint a bipartisan board, which I think very likely, and in that I do not blame or reflect upon him; but, Mr. Speaker, the work which this board is being appointed to do is very largely of a legislative character. Its chief function will be to gather information for the purpose of basing wise laws on that information. This information is to be utilized by the legislative branch of the Government. Now, in order to preserve the balance which exists between the coordinate powers of the Government, I take it, sir, that it is not wise to put into the hands of the Executive so much power as the appointment of this board would give in the work of enacting legislation. It is for the Congress to make laws. The Constitution as it stands now gives the power to the President to recommend in a message to those bodies which constitute the Congress, and it also gives him a veto power, and his connection with or power over legislative matters ends there. This law, if enacted, would put it in the President's power to select the five members of this board who would go out into the world, who would gather statistics which would be the basis for new legislation. Now, it would be out of the power of any five men, at least three of them of one political party, not to have some partisan views as to the work they were doing, and they would naturally find statistics which favored most the theory which they favored. The President, then, would have the power under this provision to select five men, three very strong ones representing his own party views, and two others, possibly not so strong, and possibly representing his views more or less also, and in that way these men, representing the Executive, report to Congress information which is to be the basis of legislation. I say, Mr. Speaker, in giving the President this power we are invading the powers of the Congress and transferring to the Executive power that the Constitution never intended that he should have. [Applause.] I withdraw my pro forma amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Indiana [Mr. BARNHART].

The question was taken, and the Chair announced the yeas appeared to have it.

Mr. BARNHART. Division!

The House divided; and there were—yeas 130, yeas 149.

Mr. MORGAN of Oklahoma. Mr. Chairman, I propose to make a few remarks on the subject of rural credits and introduce the resolution which I send to the desk and ask to have read in my time.

The Clerk read as follows:

Concurrent resolution (H. Con. Res. 58) declaring for a special session of the Sixty-fourth Congress to consider rural-credit legislation.

Resolved, by the House of Representatives (the Senate concurring), That should the Sixty-third Congress adjourn sine die without having enacted proper rural-credit legislation, it is hereby declared to be the sense of the Congress that the Sixty-fourth Congress should be convened in extraordinary session at an early date to consider the subject of agricultural credits with a view to enacting laws which will provide the farmers of the United States at the earliest date possible with better credit and cheaper interest.

Mr. MORGAN of Oklahoma. Mr. Chairman, I propose this resolution in perfect good faith. I shall have it referred to the Rules Committee. I hope it will soon be reported back to the House for consideration. I am in favor of an extra session of Congress for the consideration of rural-credit legislation. I believe it is my duty to use all appropriate means in my power to bring this about. I assume that the Sixty-third Congress may appropriately express an opinion upon

the propriety and necessity of an extra session of the Sixty-fourth Congress. The Constitution gives the President the authority to convene Congress in special session on extraordinary occasions. The President is the judge of what circumstances and conditions constitute an extraordinary occasion. The passing of this resolution would not in any way interfere with or invade the prerogatives of the Chief Executive of the Nation under the Constitution. This resolution merely expresses the sentiment of Representatives and Senators of the Sixty-third Congress. By passing this resolution we would not in any sense coerce the President. It would be in the nature of advice. I have no doubt the President would like to know what the Congress thinks about the matter. In reaching a conclusion on the advisability of calling an extra session of Congress the President naturally seeks light and information from all legitimate sources. He is, or should be, ready to listen to the public press, to the sentiment of all kinds of commercial, financial, and business organizations. He no doubt consults with members of his Cabinet, with Members of Congress, and I have no doubt the President would give respectful hearing to the views of any private citizen, whatever might be his business, position, or station in life. But the President is too much occupied and his time is too precious to listen to Members of Congress individually, but by bringing this resolution to vote every Representative and Senator may express his opinion on the subject. In addition to this, the discussion of this resolution in the House and the Senate will be of great value. It will give an opportunity to ascertain the public sentiment of the country and for the farmers of the country to express their views.

WITHOUT AN EXTRA SESSION NO CERTAINTY OF RURAL-CREDIT LEGISLATION IN NEXT CONGRESS.

There is no certainty that the Sixty-fourth Congress in the entire two years of its existence will enact rural-credit legislation unless called in special session for that purpose. Should Congress adjourn the 4th of March, unless called in extra session, it will not convene until the 6th day of December following. Nine months of valuable time will intervene between the final adjournment of this Congress and the convening of the first regular session of the Sixty-fourth Congress. This is too much time for Congress to remain idle when there is important legislation pending of such vital interest to the greatest industry of our land and to the farmers of the United States, who constitute about 40 per cent of our population.

TIME RIFE FOR ACTION.

The time is now ripe for legislation on rural credits. The subject is now before Congress. The public press is interested. The subject is before the country. The public mind is centered thereon. The various agricultural organizations are pressing the matter. The farmers have been studying the subject. They are anxiously waiting for Congress to act. There are differences of opinion, of course. There are many divergent views. We disagree as to policy and principles. We differ in both fundamentals and in details. So it will be in the end. Action should not be delayed on this account. We would never enact an important piece of legislation if we waited for perfect agreement, if we waited for unanimity, if we waited for unity in views, ideas, sentiment, and opinions.

I therefore urge the leaders of the majority in this House, I appeal to those who speak for the administration in power, I ask those who represent the Democratic Party of the Nation, upon which the responsibility of legislation rests, to exert their influence and use every proper and legitimate means within their power to have the Sixty-fourth Congress convened in an extraordinary session at the earliest date possible for the purpose of adopting some system, some policy, some method or means to provide proper agricultural credit for this country and to give our farmers access to the great fountains of credit, now unhappily largely controlled, dominated, and monopolized by our great manufacturing, commercial, and transportation interests.

DEADLOCK BETWEEN CONGRESS AND THE PRESIDENT.

In determining whether or not there should be an extra session of Congress to consider the question of rural credit we should take into consideration the apparent deadlock between our Chief Executive and Democratic Members of Congress. The Democratic majority has the power and responsibility of legislation in this Congress. That majority, however, seems hopelessly divided on rural-credit legislation, and the President and his Secretary of Agriculture do not agree with the apparent dominant sentiment of the Democratic majority in this House as represented by the subcommittee on rural credit in both the Senate and the House. In the House the Democratic membership is divided into three divisions. One division, represented by the gentleman from Ohio [Mr. BATHRICK] and the

gentleman from Kansas [Mr. DOOLITTLE] are in favor of the National Government loaning money directly to farmers upon farm-loan mortgages. Another division, led by the gentleman from Ohio [Mr. BULKLEY], are in favor of using the Government funds, or the Government's credit, if necessary, to provide a system of rural credit. Still another division is led by the gentleman from Indiana [Mr. MOSS], who apparently is opposed to the use of the Government's credit or the Government's funds to aid in the extension of agricultural credit, or to reduce interest charges to the farmers. The gentleman from Indiana [Mr. MOSS] undoubtedly represents the views of the President and the Secretary of Agriculture. This is shown by the speech he delivered in the House on the 2d day of January, 1915, by the declarations of the President in his message to Congress of December 2, 1913, and by the views expressed by the Secretary of Agriculture in his annual report for 1914.

President Wilson, in his message to Congress on December 2, 1913, when urging rural-credit legislation, said:

The farmers, of course, ask and should be given no special privilege, such as extending to them the credit of the Government itself.

The Secretary of Agriculture, in his annual report for 1914, in discussing rural credits, says:

There seems to be no emergency which requires or justifies Government assistance to the farmers directly through the use of the Government cash or the Government's credit.

The gentleman from Indiana [Mr. MOSS] in his speech in the House January 2, 1915, said:

The Bulkley-Hollis bill is not acceptable to the administration in so far as it includes the principle of grants of public money and grants of the public faith and credit of the United States to sustain the selling price of their securities.

The issue is thus joined. I yield to no man in my desire to give the American farmer every legitimate advantage which can flow from wise legislation, but I am willing to take my stand with the administration.

The Democratic Party has never promised subventions or subsidies to any class of the American people, and the rank and file will gladly support the responsible leadership of the party in its refusal to yield to demands for a violation of our fundamental principles.

The gentleman from Ohio [Mr. BULKLEY] in his speech in the House on December 19, 1914, took issue with Mr. MOSS and strongly advocated the use of direct aid of the Federal Government in the use of Government money in establishing our systems of rural credit. In this speech he said:

The use of the public credit to support farm-mortgage loans is justified by the experience of all the nations which have established land-mortgage systems in the interest of the small borrower, and these countries comprise the greater part of the civilized world.

Without such Government support as is provided by our bill it is fair to predict that the land-credit system will be slow and uncertain in its beginnings and incapable of giving substantial relief for many years to come; it is fair to say that success is doubtful and that there is not at hand in all the history of the world a single example of the success of a land-mortgage system on the long-time amortization plan for the benefit of small borrowers which has not had public financial aid.

Mr. MOSS was a member of the commission appointed by the President under authority of Congress to visit Europe for the study of rural credits, and Mr. BULKLEY is the chairman of the subcommittee appointed by the House Committee on Banking and Currency to investigate the subject of rural credits and prepare and introduce a bill for the consideration of the House.

We have a right to assume that the gentleman from Ohio [Mr. BULKLEY], the chairman of the Subcommittee on Banking and Currency, represents the majority of the Democratic membership of the House, at least upon the broad principle of using the Government funds or the Government's credit to aid rural credit. The gentleman from Indiana [Mr. MOSS] represents the present Democratic administration opposed to this policy. The situation is this: The disagreement between the President and the Democratic majority in Congress has prevented rural-credit legislation. As a result rural-credit legislation has been postponed at least two years; in the meantime the farmers of the country must expend many millions of dollars in excessive interest charges, and agricultural development must be delayed for an indefinite time.

EXTRA SESSION REQUIRED TO SETTLE CONTROVERSY.

This controversy among the Democratic forces in Congress, and in which the executive branch of the Government is participating, can not be settled properly except in a special session of Congress, when there will be ample time for the antagonistic forces to thrash out their differences. Mr. MOSS declares "the issue is thus joined." The indications are that neither side will relinquish their views or recede from their positions without a long struggle and a fight to the finish. No regular session of Congress will afford an opportunity for the proper settlement of this controversy. There should be ample time for the great body of the membership of both Houses of Congress to give profound study to this question. There should be ample time for discussion and full opportunity for amendment. This can not

be given or secured during the regular session of the Sixty-fourth Congress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MORGAN of Oklahoma. I ask the gentleman to give me five minutes more.

Mr. HAUGEN. How much time have I remaining?

The CHAIRMAN. Fifteen minutes.

Mr. HAUGEN. I yield the gentleman 10 minutes.

The CHAIRMAN. The gentleman from Oklahoma is recognized for 10 minutes more.

IMPORTANCE OF AGRICULTURAL CREDIT.

Mr. MORGAN of Oklahoma. In deciding whether or not an extra session of Congress shall be called to consider agricultural credit we should take in consideration the importance of this great industry, the number of people directly supported thereby, the amount of wealth it adds to the country annually, the vital interest which all our nonfarming population have in an adequate and ever-increasing supply of food products, the intimate relation which agriculture bears to the strength and greatness of the Republic, and the part which agriculture plays in giving employment and support to the people engaged in all other industries and avocations.

There are two great industries in this country—agriculture and manufacturing. These two industries in 1909 employed over 23,000,000 persons; 12,500,000 were employed in agriculture, 10,500,000 were employed in manufacturing and mechanical pursuits. All other industries, occupations, and professions employed less than 16,000,000 people. In round numbers, the total annual products of this country are valued at \$32,000,000,000; \$30,000,000,000 of our annual products out of a total of \$32,000,000,000 come from our farms and factories. Our annual manufactured products are valued at \$21,000,000,000 and our annual farm products are valued at \$9,000,000,000. Our manufacturing plants consume annually \$12,000,000,000 worth of raw material. To ascertain the net wealth added annually to our country by our manufacturing establishments we must deduct the cost of raw material used. Doing this we find that our manufacturing establishments add to our national wealth annually about \$9,000,000,000 and that agriculture is adding annually about an equal amount. Fully 40 per cent of the annual wealth produced in this country comes from our farms. What a magnificent gift the tillers of the soil annually contribute to the Nation and its people. Manufacturing industries already have access to the national supply of credit. This great industry is in the hands of corporations. Their stocks and bonds are found in all the great money markets. Nearly \$4,000,000,000 of manufacturing and industrial stocks were listed on the New York Stock Exchange December 1, 1914. These constituted one-fourth of all the stocks listed on the New York Stock Exchange at that time. Manufacturing, commerce, merchandizing, and transportation have largely monopolized the credit power of the Nation. January 1, 1914, the corporations of this country had \$64,000,000,000 in capital stock and \$37,000,000,000 in bonded and other indebtedness, a total in stocks and bonds of \$101,000,000,000. They had a net taxable income of \$4,339,550,008, amounting to 4.3 per cent upon all their stocks and bonds and other indebtedness. The report of the Comptroller of the Currency for 1914 shows that the banks had in loans secured by stocks and bonds and in investments in stocks and bonds of all kinds the sum of \$9,711,000,000.

Finally, in deciding whether or not an emergency exists which justifies the calling of an extra session of Congress to consider the subject of rural credits, we should take in consideration to what extent the credit power of the Nation is controlled by the commercial, manufacturing, and transportation business. We have in this country about 27,000 banks. Twenty-six thousand seven hundred and sixty-five reported to the Comptroller of the Currency in 1914. These banks have resources of \$26,971,398,030.96. They have \$2,132,074,073 in capital and have \$2,276,517,370 in surplus and undivided profits. They have in loans and discounts and in investments \$20,873,282,169. Only \$542,115,491 is loaned upon land. Only 2½ per cent of their loans and investments are loaned on farm lands. Our banks place \$97.50 in other securities for every \$2.50 invested in farm mortgages. But this is not all. The banks have extended larger credit upon city real estate than upon farms. The comptroller's report shows that our banks have loaned upon real estate other than farms \$2,965,844,145. In round numbers our banks have loaned on town and city real estate three thousand million dollars and only five hundred millions upon farms. For every dollar they have loaned upon farms, they have loaned \$6 upon urban property. All this in face of the fact that farm mortgages are the safest investment obtainable. The Secretary of Agriculture, in his annual report for 1914, says that from the best data gathered by his department the State, private, and savings

banks have loaned to the farmers on short-time loans \$1,000,000,000, and the national banks have loaned to the farmers on short-time loans \$750,000,000, or a total of short-time loans to farmers of \$1,750,000,000. Add to this the amount of farm-mortgage loans by banks, and we have a total of \$2,250,000,000 the banks have loaned to the farmers. Eighteen billion dollars is loaned to other interests. The farmers add to the Nation about one-half of the annual wealth produced; they own one-third of the wealth of the Nation; they constitute over one-third of our population; but the banks extend them but one-tenth of the credit.

But it is not so much in the amount of credit extended that gives our farmers just cause for complaint, but in the excessive interest charged. Taken as a whole, the farmers pay a much higher rate of interest than is paid by merchants, manufacturers, and the corporate interests of the country. They have less credit and pay a higher rate of interest. The lack of ample credit dwarfs and hinders the development of their business, and thereby restricts, limits, and lessens their profits. The high rate of interest deters them from using credit for the enlargement of the farming operations and imposes annually upon them a tax of immense proportions.

I believe the public interest will be subserved if an extra session of Congress shall be called to consider this subject, in case this Congress shall adjourn without action thereon. [Applause.]

Mr. Chairman, I ask permission to extend my remarks in the RECORD.

The CHAIRMAN. Without objection, the gentleman from Oklahoma will be permitted to extend his remarks in the RECORD. [After a pause.] The Chair hears none.

Mr. McKELLAR. Mr. Chairman, an examination of the last Democratic platform at Baltimore shows that practically every declaration of that platform has been enacted into law except one. To my mind the one declaration remaining undisposed of is the most important of all; that is to say, the declaration on rural credits. That this has been delayed is due to no inactivity of the Democratic Party in regard to the subject, but due to the platform declaration itself, which provided that an examination be made of other systems before we embark upon a system of our own. The platform declaration is as follows:

Of equal importance with the question of currency reform is the question of rural credits or agricultural finance. Therefore, we recommend that an investigation of agricultural-credit societies in foreign countries be made so that it may be ascertained whether a system of rural credits may be devised suitable to conditions in the United States; and we also favor legislation permitting national banks to loan a reasonable proportion of their funds on real estate security.

We have already carried out the letter of this provision of the platform. In the currency law we have permitted national banks to lend money on real estate, and we promptly sent a commission to Europe to study foreign rural-credit systems, and that committee has made to Congress a splendid report on the systems that they examined abroad and have collated much valuable information serviceable to the Congress and to the country in deciding upon a proper law in the premises. A number of plans have been introduced on this subject. The first was introduced by Mr. BATHRICK, of Ohio, on January 19, 1914.

THE BATHRICK BILL.

Mr. BATHRICK's bill has a double purpose. One is to lend money to farmers at a low rate of interest by the Government directly, and the other is to devote the profits upon the business of lending of such money to the building of roads. Evidently Mr. BATHRICK's idea was that the best measure for the farmers would be to cut out the middlemen. I do not know that I am competent to criticize the bill, but from the investigations that I have made it seems to me that there are a number of defects. The first is that we ought not mix up the question of farm credits with the question of road building; second, that the machinery of the bureau as arranged in the bill is complicated and somewhat confused; especially does it leave too much to the discretion of the officers created by the bill; third, so far as I may be able to judge, the provision for the obtention of the money on bonds of the Government are, in a general way, in accordance with the plan to have the Government borrow the money and lend directly to farmers; fourth, the methods by which the money is to be lent to farmers are not specifically set forth and should be more specifically set forth where the Government goes into the business as large as this will necessarily be; fifth, the method of making the loans through "farm-credit associations or designated financial associations, acting as agents of the bureau," introducing another feature in the bill which should not be introduced; in other words, if the Government is going to lend money to farmers, it should do it directly.

On the whole the plan of Mr. BATHRICK is, in my judgment, essentially the correct one, but the bill is not artificially drawn so as to carry out the plan. I have read Mr. BATHRICK's testi-

mony in the hearings, and I do not think that there is anyone in Congress who is so thoroughly familiar with the question or who discusses it more intelligently. He is a pioneer in the work and understands it fully.

THE MOSS BILL.

Mr. Moss of Indiana, for the commission which went to Europe, he being a member thereof, on January 29, 1914, introduced a bill for the establishment of national farm-land banks.

Getting my information secondhand from books and other literature, and knowing that Mr. Moss has not only great ability but has received his information largely first-hand, it is indeed embarrassing for me to attempt to criticize his bill. From the standpoint with which the question is viewed by him, I doubt if the bill is subject to serious criticism.

My difference with Mr. Moss is fundamental. My idea is whatever legislation we undertake should have in view directly only the interest of the farmers. The benefits of the rest of the country must be indirect and arise out of the benefits received by the farmer, he being the source of practically all our wealth. The bill has for its professed purpose the establishment of national farm-land banks. There are no such banks now. If such banks were profitable in themselves they would be established by private effort. If we do not establish such banks we hurt no one. If we do establish such banks, we establish a distinct class of people who do not produce and who have to exist by taking a part of that which we wish to accord to the farmers. The Government has already done and is now doing a great deal in the aid of banks and bankers. A rural credit system, according to my view, should be for the aid of the farmers. To put what I mean in another way, if the Government with its powerful resources is able to borrow money at $3\frac{1}{2}$ per cent and can lend it to farmers, after paying all expenses for lending it, for $4\frac{1}{2}$ per cent, and it is its desire to aid the farmers by giving them money at the lowest rate of interest, why should it deliberately go about the matter by organizing a distinct class of middlemen and give this distinct and favored class an equal part of the benefits with that it gives to the class of farmers which it peculiarly desires to favor? I do not believe that Mr. Moss's bill is a workable measure for a number of reasons: First, it is doubtful if any national farm-land banks would be organized under the act; second, that the system by which these banks lend money and issue bonds on its mortgages is complicated, and the bonds, if they were salable at all, would be at such a high rate that it would not do the farmers much good; third, these banks are given all the power of the ordinary commercial banks, and I do not believe it would be wise to mix the two propositions; fourth, the consolidation of existing land-mortgage companies, building and loan associations, and the like into farm-land banks, as provided in the bill, would be impracticable and, in my judgment, would do no good in reducing the rate of interest to farmers; fifth, requiring the trustees of the postal savings fund to deposit the same in these banks under the provisions of this bill would be unwise; lastly, the bill does not provide for Federal aid, but merely for Federal supervision.

There is but one way the farmers can be guaranteed a lower rate of interest, and that is by the Government aid, either directly or indirectly. Recently the Government tried this indirect aid, and we know Mr. McAdoo had to get in the game directly in order to make the banks do right.

THE BULKLEY BILL.

The Bulkley bill is substantially the same as the Moss bill, except that it is more artificially drawn and that it provides for Government aid. Section 30 of the bill shows the controlling difference between this bill and the Moss bill. This is the section that provides that the Secretary of the Treasury shall buy not exceeding \$50,000,000 of the bonds of the Federal land banks when called upon by said Federal land banks. The Bulkley bill is a banker's bill. Any gentleman who should desire to go into the land-bank business ought to be able to make good profits out of this system of banks, and doubtless there would be some banks organized under it, if enacted into law, though I do not believe it would be a successful working measure.

THE HOWARD BILL.

Mr. HOWARD, of Georgia, on January 31, 1914, introduced a very elaborate and carefully worked out plan of aid to farmers through national farm-land banks. Under Mr. HOWARD's bill a new system of land banks is provided for. There are three kinds of banks—local national farm-land banks, State farm-land banks, and United States farm-land banks. The system is to be under the control of the Secretary of the Treasury, the Secretary of Agriculture, and the Comptroller of the Currency. It is as quite an elaborate system of banking as that of the recently passed national reserve system, and, so far as I am able to

judge, as a system of banking it is a very meritorious bill; but my belief is that what is necessary for the farmers is not a new system of banking to make profits out of him, but a system of rural credits which will give to him money on his farm at a low rate of interest without the intervention of any more middlemen than can be avoided.

THE KELLY BILL.

Recently, on September 1, Mr. KELLY of Pennsylvania introduced a double-header bill for the establishment of a land-bond bank in the Department of the Treasury and a farm-loan bureau in the Department of Agriculture. One bureau is for the purpose of issuing bonds and the other is for the lending out of the money thusly received. The business of the lending bureau is to lend out the money to farmers, but no other definite scheme is presented by the bill.

THE M'KELLAR BILL.

On September 3 I introduced a bill to establish a farm credit bureau in the Department of Agriculture, with the object and purpose of having the Government through this bureau lend money on farm first mortgages directly to the farmers. Generally speaking, it establishes a corporation in the Department of Agriculture, having a board of trustees of five, with the Secretary of Agriculture as president of the corporation, and four other members to be appointed by the President. One of these is to be general manager of the corporation, another secretary, the third treasurer, and the fourth general counsel, who shall have charge of the title department of the bureau.

The loans are to be limited to farmers; that is to say, men or women actually engaged in the business of tilling the soil, as shown in section 2. It shall only be made for the purpose of paying, in whole or in part, for agricultural lands or lands capable of being made agricultural lands, or for the satisfaction of encumbrances on said lands, or for the cultivation of lands, or repairs or maintenance of irrigation works, or for the purpose of fertilizing, buying machinery, seed, implements, or animals, or labor to be used for agricultural purposes, or for any other similar purposes of the farmer, including planting, raising, cultivating, or harvesting the crops. In other words, the bill cuts out all speculative purposes, and the benefits of the act go alone to those engaged in tilling the soil, and this only for purposes connected with such tillage.

The bureau is, in fact, a corporation, and issues bonds in the same way that the land-bank associations are to issue them under the Bulkley bill. Of course these bonds have the backing of the Government and will sell much more readily, and for a much less rate of interest than would the bonds of the banking association. Indeed, in my judgment, having the special backing of these lands on a 60 per cent basis, they will be the best-known Government bonds ever issued, and ought to sell on the smallest rate of interest.

Virtually the same provisions for the use of the postal savings and for the Secretary of the Treasury to buy \$50,000,000 of bonds per year, which provisions are in the Bulkley bill, are to be found in this bill.

COMPARISON OF THE TWO BILLS.

The essential difference between the two bills is that one is a direct and businesslike way, by which the Government may secure and lend money directly to farmers at a low rate of interest. The Bulkley bill is a cumbersome and expensive way of doing the same thing, the Government being quite as much behind one bill as the other.

In my way the farmer gets the benefits of the low rate of interest. In the Bulkley bill the class of bankers organized thereunder is the better beneficiaries. Under my plan the amount of money thus put out and other features of the situation, for which the Government is responsible, are in the hands of the bureau. In the Bulkley bill they are in the hands of the land-banking association, and the Government becomes responsible for \$50,000,000 per year. In my plan the bonds, in my judgment, will be quickly salable, and no bonds will have to be bought by the Government. In the Bulkley plan the bonds issued by the land-banking association will be of doubtful market value and probably can not be sold to individuals at all. In my plan the bureau can try 100 mortgages in each State, or can try one mortgage in each State, and if the system is found to be a good one it can be developed at the will of the bureau, without injury to the Government or to financial conditions generally. In the Bulkley plan the mortgages can be taken by the land-banking associations in the various States, and the Government is to take at least \$50,000,000 a year, whether or no. If it is a success, well and good. If it is a failure, the Government pays the deficiency in the end. My plan is for the farmers. The Bulkley plan is for the land bankers, who are not now in existence, but which separate and favored class is to be created by the bill.

In my plan the Government controls the situation. In the Bulkley plan the favored class of land bankers control. In my plan the cost of putting the machinery in motion is reduced to a minimum. In the Bulkley plan the cost of putting the machinery in motion is expanded to a maximum. In my plan the bureau becomes a competitor of all private farm-loaning companies or individuals. Under the Bulkley plan the Government becomes associated with the other loan companies. In my plan all the good features of the Bulkley bill are retained. All its bad features are excluded. In my plan all the profits go to the further security of the bonds issued by the bureau, making them even more gilt-edged. Under the Bulkley plan all the profits go to the land bankers to be created by the bill.

These are some of the distinct differences between the two plans.

THE POLICY OF THE GOVERNMENT IN THUS DEALING WITH THE QUESTION.

It is claimed by many that the Government ought not to go into the land mortgages or loan business in competition with other loan companies; that this is not the province of government. It is claimed that it is virtually socialistic. It is claimed the Government should not grant special favors to any class of its citizens. It is claimed that the whole scheme is undemocratic. Looked at from a theoretical standpoint, these claims are probably well founded. Looked at from a standpoint of governmental practice, they can not be sustained.

THE GOVERNMENT IN BUSINESS.

From time to time since its foundation the Government has engaged in business. When railroads came in vogue and it was deemed wise to build up railroad systems in this country, the Government spent untold millions in land and in money in the building up and creating of railroads. The Government has also been in the banking business, and the banks and bankers who will probably for the most part be opposed to this bill have been the greatest recipients of governmental favors and benefits. The Government has been in the banking business from the beginning, sometimes in competition with private banks, but at all times virtually backing the whole system of banking in this country.

The Government has also gone into the irrigation and reclamation business, and has spent untold millions in reclaiming barren lands and irrigating them and selling them to purchasers on long time.

We have actually gone out and bought silver and issued certificates thereon as money, thus aiding the silver miners and those engaged in that business. We have gone into the canal business and spent \$400,000,000 in building the Panama Canal. We have gone into the railway business in Alaska by appropriating \$35,000,000 to build a railroad there. We have recently gone into the insurance business, and are now insuring ships. We have gone into the parcel-post business, and have thus come into competition with the express companies and railroads.

We have actually gone into the farm-loan business in the Philippine Islands. So far as I am informed, the system is working well. In other words, we are doing more for the Philippine farmers than we are doing for our own farmers.

In our tariff law we have benefited manufacturing interests throughout the land at the expense of the farmers largely. We have passed innumerable laws for the benefit of labor, and we have acted wisely in so doing, but practically no legislation for farmers.

Agriculture is the basis of all our wealth and prosperity, yet we do little to encourage it. We make the farmer pay more for his plows, his harrows, his rakes, his reapers, his binders, his machinery of every kind, nature, and description, and the benefits of this legislation go into the hands of the manufacturer. We tax every article that he uses, or did do so until the Democratic Party recently passed the tariff law. We tax the most of what he eats or wears, or did do so until the Democratic Party came into power and passed the recent tariff law. These taxes all went to the favored class, but the farmers do not get the benefit.

THE SITUATION OF AGRICULTURE.

Now what is the result? The result is agriculture has been steadily on the decline during the past 30 years of our history. Between 1900 and 1910 the increase of population in the United States was 21 per cent. In the same census period great farming States like Ohio, Indiana, Iowa, and Missouri actually lost in rural population. Vermont and New Hampshire also lost in rural population. In great farming States like Minnesota, Wisconsin, Michigan, Illinois, Kentucky, Virginia, Maryland, and even the great State of New York the rural population increased only an infinitesimal per cent. On the other hand, every State in the Union increased in its city population. The effects of uninviting rural life and conditions and the conse-

quent removal of rural population to the city is strikingly shown in the production of farm products. Take the production of cattle, for example. Nearly all the great cattle-producing States, like Texas, Iowa, Kansas, and Oklahoma, produced a greater number less of cattle in 1910 than they produced in 1900. During a period of 30 years the increase of cattle in this country was 36 per cent, while during the same period the population increased 83 per cent. In 1900 there were 52,000,000 cattle raised in the United States and in 1910 only 53,000,000, practically no increase, while the population of the United States increased 21 per cent.

The decrease in hog raising was even more marked. In 1900 there were 62,000,000 hogs raised in this country and in 1910 only 58,000,000. Sheep and goats were about the same—39,000,000 in each year. In 1900 there were 250,000,000 poultry in this country and in 1910 only 233,000,000, an increase, but a much smaller increase than that of population.

When we consider these figures two things are apparent, first, one of the striking causes of the high prices of these food-stuffs; and, second, the absolute necessity of making farm life more attractive and keeping your young men on the farms, and giving them the best, fullest, and cheapest means of producing the necessities of life.

In my own State of Tennessee we had an increase of population between 1900 and 1910 of 8.01 per cent. This increase was wholly in the cities and towns. The rural population of Tennessee decreased over 10,000 people. I mean that part of the State outside of towns of 2,500 people and over. I have four counties in my district. In Shelby County, where Memphis is, the increase of population was 15 per cent. Fayette County gained 556 people in 10 years. Hardeman County gained 35 people in 10 years. Tipton County actually lost 186 people in 10 years. Just about one-half of the counties in the State lost in rural population. Great counties like Lauderdale, Weakley, Henry, Carroll, Maury, Giles, Lincoln, Rutherford, Wilson, Sumner, and even Davidson, where Nashville is, all decreased in their rural population.

What is the cause? The cause is the lack of cheaper money to do the farm work, and of cheaper money to enable the farmers to make country life agreeable and successful. Recently the Department of Agriculture and a subcommittee of the Banking and Currency Committee made an investigation to ascertain various facts about rural conditions. One of the subjects investigated was the rate of interest in rural communities. It was found that the average rate of interest paid by the farmers throughout the country was something like 8 per cent exclusive of the commissions paid. When these commissions are added the average rate will be in the neighborhood of 10 per cent. These were on land loans. On chattel loans to farmers the average rate was about 10 per cent without commissions. Naturally it was difficult to get the real rate paid, because the lenders did not care to state the rates and the borrowers were in much the same position. There were some States of the Middle West and Northwest that paid very much smaller average rates, or, rather, some sections of these States; but, generally speaking, it can be safely said that the farmer pays an average of 10 per cent for his money.

When we recall the fact that the gamblers in the leading financial centers of our country borrow money at about 5 per cent upon which to gamble on the various exchanges, and realize that the farmers, who are the bulwark of our Nation, who furnish its lifeblood, who are creators of more than 75 per cent of its wealth, who furnish us very nearly every necessity of life, and find that under our system that they pay 10 per cent for all their borrowed money, while the gamblers in the very products that are created by the farmers pay only 5 per cent for their money, then we must see that the system is wrong. It is perfectly apparent to any thinking man also that the system can be changed by governmental action, and that action must be direct. We can not hope to change the system by adding another class of middlemen to the system. What we must do is to see that the farmers, who are the source of all our wealth, shall receive equal treatment with those of us who, economically speaking, are but leeches upon the body politic.

Lawyers, doctors, bankers, legislators, stock brokers, merchants do not create wealth, though they serve most useful purposes. Economically speaking, they are the leeches who thrive on what others have created. It should be our purpose to see that the producers of our wealth are simply put upon an equal basis with those who consume wealth.

The Democratic Party has stood for this principle on all questions of labor in the sense that the term is ordinarily used. It should complete the program by standing by the farmer as a farmer and helping to place him on an equal footing with labor and with the middleman.

THE REMEDY.

To-day the farmer is suffering from two very serious ills: First, the inadequate money supply, and, second, the high rate of interest he has to pay.

The remedy for these evils is direct loans by the Government. In many parts of our country we find our farms poorly fenced, poorly drained, and poorly kept up. We find the farmhouses out of repair, oftentimes unpainted, the barns in a bad condition. The reason for this is not lack of industry in the farmer, as is often stated, but it is the fault of a bad financial system.

THE PRESENT SYSTEM.

I speak now of the small cotton farmer, with which system I am best acquainted. He may own in his own right a hundred acres of good land with a pair of mules, some cows, hogs, and chickens, and one or two negro tenants on the place to help him work. Probably his whole farm outfit is not worth over \$1,500 or \$2,000, and under the ordinary State exemption laws all of this, probably including the land, is exempt from execution. Under these circumstances, of course, he has no standing at a bank. He can not go to a bank and borrow money with which to make his crop. What does he do? He goes to a commission merchant in his nearby town or city and makes arrangements with him to furnish the money and provisions with which to make his crop. The first thing the commission merchant requires of him is to give a mortgage on his land, teams, and the crop that is to be raised. He lets him have provisions, if he is in the provision business, at a large cost. He begins to let him have money in the spring of the year at a heavy rate of interest, usually not less than 10 per cent, and he charges him 10 per cent whether the farmer pays him back in September or keeps it a year. The merchant requires him also to sign an agreement by which the farmer is to ship the merchant in the fall of the year ordinarily one bale of cotton for every \$10 borrowed. If the farmer borrows \$250 he agrees to ship and pay commissions on 25 bales of cotton, though he may make but 10. These commissions are but another way of charging exorbitant rates of interest. This is the present banking system of innumerable farmers in the South.

Naturally, under these circumstances the farmer does not borrow any more money than he is obliged to have with which to make his crop. If he could mortgage his farm to the Government and get money at 5 per cent, he could well afford to improve and keep up his farm. It is no wonder that our country boys are not attracted to this kind of farm life. It is no wonder that many of them who would make splendid farmers leave the farms and go to the cities and work on street cars as motormen and conductors and engage in almost every work that will bring in a steady salary. No wonder, under these circumstances, the rural population has continuously decreased. No wonder we see broken-down fences, ill-kept farms and farmhouses, poor schoolhouses, and bad roads.

THE OBLIGATION OF THE GOVERNMENT.

All other civilized governments have recognized the obligation to furnish banking facilities for rural communities. Their situations, however, are different from ours. The European Governments dealt with the system of land banks that were already in existence. We have no such system, and the inauguration of such a system would not remedy the evils. On the other hand, it would simply create another class of middlemen who would toll governmental aid to the farmers. Any thoughtful person, I believe, will agree that this system could best be started in a bureau of the Federal Government. It would be far less expensive, far more direct and efficacious.

If it is the duty of the Government to aid in building railroads, nay, even building railroads of its own for the purpose of developing portions of our country, if it is the duty of the Government to aid manufacturing establishments by taxing the people in their interest, if it is the obligation of the Government to appropriate immense sums of money to irrigate arid lands in parts of our country and sell them cheaply to farmers, if it is the obligation of the Government to expend huge sums in cleaning out rivers to benefit the commerce of our country, if it is the obligation of the Government to go into the ship business or in the insurance business for the benefit of those engaged in trade and commerce, if it is the obligation of the Government to lend money to Philippine farmers—and all these things have been done by our Government—then how much greater is the obligation of the Government to furnish a financial system that will give to the producers of practically all our wealth sufficient money at a reasonable rate of interest to do well the work that they must do in order that all might prosper.

LESSON OF THE WAR IN EUROPE.

The present titanic war in Europe ought to serve as an object lesson. Those nations now engaged in war have been preparing

for it for years, each one taxing their people to the limit in preparation for war. The most of their public revenue has been spent that way for many years. In this country, unfortunately, we have been following their example. We are the richest Government in the world. We raise over \$1,000,000,000 by taxation annually. What an immense power for prosperity would this be if properly expended. Let us suppose for a moment that we spent it for the peaceful pursuits of agriculture, for the development of the products of our mines, for developing our waterways, for better road building, for the education of our youth, and for training them to make intelligent, industrious, and patriotic citizens. If such were done, the prosperity and wealth of our country would absolutely know no bounds.

Under our present system for these objects we spend only a very small portion of our public fund. Exclusive of what we spend for our Postal System, we spend less than \$200,000,000 for the ordinary purposes of peaceful government. The great bulk of this enormous income is spent for hideous war, past, present, and future. Over \$200,000,000 are spent annually as rewards for killing men in battle. One hundred and fifty millions of dollars are spent for our Navy, which is used for the purpose of killing men. Over \$100,000,000 are spent for the purpose of keeping up our Army for the purpose of killing men. Over \$50,000,000 more are spent for various other war purposes.

Thus we see that we spend more than \$500,000,000 annually for the purpose of killing men and for the destruction of their property in war. What a travesty upon civilization!

We spend \$2,000,000 for the education of our youth in certain agricultural schools, but this is for their military education. We spend \$500,000,000 annually to kill men. We spend \$20,000,000 for agriculture and \$500,000,000 for war.

Under present conditions we can not afford to cut down our Navy, but we should cut down our Army and our appropriations for war.

THE ADVANTAGES OF MY PLAN.

To sum up some of the advantages of my plan I might say: (1) It does not plunge the Government at enormous expense into any untried system of land banks. (2) The limitations found in section 14 of the bill prevent any action injurious to financial conditions of the country by sale of bonds by leaving the amount and extent of loans entirely in the discretion of the bureau. (3) It enables the bureau constituted by the act to go into the farm-loan business on a conservative and safe basis and gives the bureau the power to expand with the growing needs of the country. (4) If it is found necessary in the development of the system to have financial agents or even local banks in the various communities of the country, then these may be organized later as the system develops. (5) It does not attempt to institute a full-grown and fully developed system at one blow. (6) The banking system created by this act is in the Department of Agriculture, where it ought to be. (7) It reduces to a minimum the cost of making the loans. (8) It cuts out the profits of the middlemen not because profits to middlemen are unjust but because middlemen would have to be created by the act, as none now exist. There is no use to create a class of business men who are to divide the benefits that ought all to go to the farmers. And, finally, it will give to the farmers loans on their farms at probably not exceeding 4½ per cent on long time, where they have heretofore had to get this money at at least 10 per cent on short time.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. HOWARD having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Tulley, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to the bill (S. 2337) to create the coast guard by combining therein the existing Life-Saving Service and Revenue-Cutter Service.

The message also announced that the Senate had passed the following resolution:

Resolved, That the Secretary be directed to furnish to the House of Representatives, in compliance with its request, a duplicate copy of the bill (S. 2334) for the relief of S. W. Langhorne and the legal representatives of H. S. Howell.

AGRICULTURAL APPROPRIATION BILL.

The committee resumed its session.

The CHAIRMAN. The Clerk will read, if no one else desires to be heard.

The Clerk read as follows:

DEPARTMENT OF AGRICULTURE.

Salaries, Office of the Secretary of Agriculture: Secretary of Agriculture, \$12,000; Assistant Secretary of Agriculture, \$5,000; Solicitor, \$5,000; chief clerk, \$3,000, and \$500 additional as custodian of buildings; private secretary to the Secretary of Agriculture, \$2,500; stenographer and executive clerk to the Secretary of Agriculture, \$2,250; 1 appointment clerk, \$2,000; 1 chief, supply division, \$2,000; 1 inspector, \$2,750; 1 law clerk, \$3,250; 1 law clerk, \$3,000; 3 law clerks, at

\$2,500 each; 9 law clerks, at \$2,250 each; 1 law clerk, \$2,200; 6 law clerks, at \$2,000 each; 3 law clerks, at \$1,800 each; 3 law clerks, at \$1,600 each; 1 expert on exhibits, \$3,000; 1 telegraph and telephone operator, \$1,600; 1 assistant chief clerk and captain of the watch, \$1,800; 3 clerks, class 4; 10 clerks, class 3; 13 clerks, class 2; 21 clerks, class 1; 1 auditor, \$2,000; 1 accountant and bookkeeper, \$2,000; 7 clerks, at \$1,000 each; 8 clerks, at \$900 each; 1 clerk, \$840; 15 messengers or laborers, at \$840 each; 11 assistant messengers or laborers, at \$720 each; 1 chief engineer, \$2,000; one assistant chief engineer, \$1,400; 1 assistant engineer, \$1,200; 2 assistant engineers, at \$1,000 each; 8 firemen, at \$720 each; 10 elevator conductors, at \$720 each; 1 construction inspector, \$1,400; 1 superintendent of shops, \$1,400; 1 cabinet-shop foreman, \$1,200; 4 cabinetmakers or carpenters, at \$1,200 each; 2 cabinetmakers or carpenters, at \$1,100 each; 9 cabinetmakers or carpenters, at \$1,020 each; 3 cabinetmakers or carpenters, at \$900 each; 1 electrician, \$1,100; 1 electrical wireman, \$1,000; 1 electrical wireman, \$900; 3 electrician's helpers, at \$720 each; 2 painters, at \$1,000 each; 4 painters, at \$900 each; 5 plumbers or steam fitters, at \$1,020 each; 1 plumber's helper, \$840; 2 plumber's helpers, at \$720 each; 1 blacksmith, \$900; 1 lieutenant of the watch, \$1,000; 2 lieutenants of the watch, at \$960 each; 2 watchmen, at \$840 each; 42 watchmen, at \$720 each; 5 mechanics, at \$1,200 each; 2 skilled laborers, at \$960 each; 1 janitor, \$900; 22 assistant messengers, messenger boys, or laborers, at \$600 each; 1 carriage driver, \$600; 21 laborers or messenger boys, at \$480 each; 1 charwoman, \$540; 2 charwomen, at \$480 each; 15 charwomen, at \$240 each; for extra labor and emergency employments, \$12,000; in all, \$352,280.

Mr. LEVER. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

In line 4, page 3, after the word "cabinetmakers," strike out the word "of" and insert in lieu thereof the word "or."

Mr. LEVER. Mr. Chairman, I will say it is only a typographical error in the print of the bill.

The question was taken, and the amendment was agreed to.

Mr. MANN. Mr. Chairman, what is the necessity of increasing watchmen? There is apparently an increase here.

Mr. LEVER. I will say to the gentleman from Illinois, as he may remember, the department has moved a good many of its bureaus to the building southeast of the old building, an eight-story building, and they need these watchmen in order to take care properly of that building.

Mr. MANN. But they abandoned other buildings?

Mr. LEVER. Yes.

Mr. MANN. You would think it requires fewer watchmen in one large building than in half a dozen small buildings.

Mr. LEVER. The gentleman from Illinois knows that these men work in eight-hour shifts, and it takes this number of men to properly care for that building and for one or two of the other offices.

Mr. MANN. We were told when we proposed to rent this new building that it would considerably reduce expenses. Now, the first thing we meet is where we transfer from a number of small buildings into a modern office building they need more laborers, more watchmen, more carpenters, and more of this and that to do the work than they had before. That is contrary to usual experience.

Mr. LEVER. The statement of the officials representing the Secretary's office was—

Mr. MANN. You have increased the number of elevators, but that is explainable by the fact that the old building did not have elevators. Now, you go into a new building that has elevators. I do not understand why you need more cabinetmakers and more carpenters and more watchmen.

Mr. LEVER. I will say to the gentleman from Illinois that we have not increased this roll in the way of cabinetmakers. We have only increased it in the way of elevator conductors and a couple of watchmen, and the explanation of the department is that they want them in connection with this new building.

Mr. MANN. We have now eight cabinetmakers or carpenters at \$1,020 each, and this provides for nine; and we have two cabinetmakers at \$900 each, and this provides for three.

Mr. LEVER. Let me explain to the gentleman that those additions are transfers from the lump sum of the Secretary's office to this roll, and the lump sum has been reduced in proportion, with the exception of \$2,000.

Mr. MANN. Of course, it is one of the difficulties where they make these lump-sum appropriations that the department immediately proceeds to employ laborers, cabinetmakers, and carpenters out of that; and after a while they come along and put them on the statutory roll, and it is seldom, although the gentleman says it is in this case, that the lump sum is reduced.

Mr. LEVER. According to the statement of the officials of the department, and according to the investigation of the committee, these lump sums have been reduced except in one or two instances, which we will call attention to when we get to them. I would like to say to the gentleman from Illinois, along the line of his suggestion, that I think every member of the Committee on Agriculture will agree with him that one of the most difficult things to do is to keep up with this lump-sum roll

and these transfers they insist on making from time to time. It makes more trouble and confusion than all the other parts of the bill put together.

Mr. MANN. And that is particularly true of the Agricultural Department.

Mr. LEVER. I hope it is not true of any other committee.

Mr. MANN. This is the only committee outside of the Committee on Appropriations that carries appropriations for departmental help in Washington. And the Committee on Appropriations would not submit to this for a minute.

Mr. LEVER. I can say to the gentleman that the committee has investigated these various transfers, and in every instance they have found, except the ones we will mention at the proper time, that the lump sum has been reduced.

Mr. HAUGEN. Will the chairman pardon the suggestion, that the departmental help has been very largely increased?

The CHAIRMAN. The time of the gentleman has expired.

Mr. PAGE of North Carolina. Mr. Chairman, I ask unanimous consent that the time of the gentleman from South Carolina be extended for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN. What cause has there been for the large increase?

Mr. HAUGEN. The new buildings. The building referred to that was intended for the use of the Forestry Service, but on account of the increase of the department it is necessary to use the large building for the force in that department outside of the Forest Service.

Mr. MANN. Where does the increase come from?

Mr. HAUGEN. We made an increase in the appropriation of last year and added to the number of employees by the hundreds.

Mr. MANN. We made some increases in the last year's appropriation, and these sums are larger this year than last year.

Mr. LEVER. If the gentleman had walked through the department, he could have seen the reason.

Mr. MANN. Do not say "if." I have been through every building the Department of Agriculture makes use of, and I expect more than even members of the committee have.

Mr. PAGE of North Carolina. Mr. Chairman, I merely wanted to observe that the chairman of the committee having the bill in charge has properly said that this is about the hardest appropriation to regulate. There is a constant tendency in all the executive departments to take men who have been employed under a lump-sum, or possibly on a per diem, basis and recommend to the committee the estimates and that these men be put upon the statutory roll.

Mr. LEVER. There is no question about that.

Mr. PAGE of North Carolina. I am very sorry the chairman of the Committee on Agriculture has yielded to that pressure coming from the Agricultural Department, because, as he says, it brings about confusion, and I dare say now that the gentleman, the chairman of the committee, and the members of the Agricultural Committee do not know for a certainty whether or not you have reduced the lump-sum appropriation from which these men were paid. You may have reduced some lump-sum appropriation, but it may not be the specific appropriation from which these men were paid before you put them on the roll and classified them under a salary.

Mr. LEVER. We have the statement of the officials of the department to that effect, and in some instances we verified those statements, and in every instance where we investigated we found the statements true.

Mr. PAGE of North Carolina. I will say to the chairman that in the appropriation bill that comes under my charge—the District of Columbia appropriation bill—there are a number of employees put on the per diem basis. There has never come since I have known anything about it from the officials of the District of Columbia—the commissioners—an estimate wherein they did not ask that at least half of these men that were being paid on a per diem basis be put on the statutory roll at a salary, possibly not increasing the pay they were getting. But we have steadfastly refused to transfer any of these people, not that it would save money but it enabled us to keep up specifically with the lump-sum appropriations, that ought to be avoided if they can be avoided.

Mr. LEVER. The policy of the Committee on Agriculture is to accept every transfer from the lump-sum to the statutory roll for the purpose of keeping our eyes on the statutory roll.

Mr. PAGE of North Carolina. But the gentleman runs a very great risk when he undertakes to do that. While he may keep up with the statutory roll, he is very apt to have it put over on him as to the lump-sum appropriation, and I dare say that it happened, in spite of the fact that he thinks it has not.

Mr. LEVER. I think not.

Mr. CANDLER of Mississippi. I wish to say that we took that matter up with the subcommittee and investigated it very thoroughly. We checked up these various items, and in addition to that, as I have said, the committee itself took up that matter very specifically.

Mr. PAGE of North Carolina. Will the gentleman point out the particular reduction in the lump sum from which these salaries were taken in this bill; that is, the specific cases?

Mr. LEVER. We shall do that at the proper time. The Secretary explains in his statement to us that the lump sum was reduced, but the committee undertook to reduce his emergency appropriation by \$2,000. There was an increase in the statutory roll of the Secretary's office to the extent of about \$10,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PAGE of North Carolina. Mr. Chairman, I ask for recognition in my own right.

The CHAIRMAN. The gentleman from North Carolina moves to strike out the last two words.

Mr. PAGE of North Carolina. Mr. Chairman, I would like to ask the chairman of the committee a question. There were certain increases made in this statutory roll under the office of the Secretary, were there not?

Mr. LEVER. Yes.

Mr. PAGE of North Carolina. What is the aggregate amount of those salaries, of those increases made?

Mr. LEVER. The new places in the Secretary's office are these: Two elevator conductors, at \$720 each—

Mr. PAGE of North Carolina. That is \$1,440.

Mr. LEVER. Yes. One electrician helper, \$720; 2 watchmen, at \$840 each, amounting to \$1,680; 4 watchmen, at \$720 each, making \$2,880; 2 laborers or messenger boys, at \$480 each, amounting to \$960; making in all \$7,680 of new places.

Mr. MANN. That is not all.

Mr. LEVER. Then there were transfers from the lump-sum fund for extra labor of the Secretary's office, which fund has been partially reduced, consisting of 1 superintendent of shops, at \$1,440; 1 cabinetmaker or carpenter, \$1,020; 2 painters, at \$900 each, \$1,800; and 1 carriage driver, at \$600; total, \$4,820. I remember the carriage driver. He is the carriage driver of the Secretary. We decrease the emergency fund in the Secretary's office by \$2,000, which practically leaves \$2,820.

Mr. PAGE of North Carolina. So that there is an actual increase of more than \$10,000 in this salary roll, in spite of the reduction you have made in the lump-sum appropriation?

Mr. LEVER. Yes; there is an actual increase of \$10,200; but most of those increases are due to transfers. We have transferred many people to the Secretary's office in the reorganization of the department. These are represented by transfers with corresponding reductions in the lump fund.

Mr. PAGE of North Carolina. And it shows a corresponding reduction elsewhere in the bill?

Mr. LEVER. Yes; it does all the time.

Mr. PAGE of North Carolina. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Salaries, office of farm management: Two clerks, class 3; 1 clerk, class 2; 6 clerks, class 1; 1 clerk, \$1,020; 5 clerks, at \$1,000 each; 6 clerks, at \$900 each; 3 clerks, at \$840 each; 4 clerks, at \$720 each; 1 messenger or laborer, \$720; 1 messenger, messenger boy, or laborer, \$660; 3 messengers, messenger boys, or laborers, at \$480 each; 1 messenger boy, \$360; 1 messenger boy, \$300; 4 charwomen, at \$240 each; 1 photographer, \$1,400; 1 photographer, \$900; 1 map tracer, \$720; in all, \$36,080.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] moves to strike out the last word.

Mr. MADDEN. Mr. Chairman, how does this list compare with the list of expenses in this department last year?

Mr. LEVER. Mr. Chairman, I may say now, because it may save a good many questions as we go along with this bill, that there has been somewhat of a reorganization of this department within its various bureaus and offices, necessitating a great many transfers from bureau to bureau, and apparently in some of the bureaus increasing the amounts very largely.

The matter to which the gentleman is referring now represents the transfer of the farm-management work, which has heretofore been carried in the Bureau of Plant Industry, from that bureau to the office of the Secretary. The various clerks represented in this roll heretofore were carried in the Bureau of Plant Industry. This makes an apparent increase here of some \$36,080, but there is no actual increase. All of these men heretofore have been employed in the Bureau of Plant Industry,

and have been transferred to this item without any change whatever in salary or numbers.

Mr. MADDEN. Will the gentleman tell me what the Farm Management Bureau does?

Mr. LEVER. The Farm Management Bureau is regarded by the Secretary himself as one of the most important lines of work in his entire department, and for that reason he had it transferred from the Bureau of Plant Industry to his own office.

Mr. MADDEN. What does it do?

Mr. LEVER. The Farm Management Office undertakes to study the farm as a unit, to study it as a business proposition, to study it in all of its phases, from the standpoint of profit making and the like of that, as a whole.

Mr. MADDEN. Who studies it? These clerks and the charwomen and the photographer?

Mr. LEVER. Of course the charwomen do not. These clerks and the photographer represent the overhead expenses of this work.

Mr. MADDEN. Who are the men in this bureau who make this study?

Mr. LEVER. The chief of this bureau is Dr. William J. Spillman.

Mr. MADDEN. What use do they make of these studies when they have finished them?

Mr. LEVER. The object of this bureau is to get information. This is a great bureau or office whose agents go out into the country to gather information relative to farming as an economic proposition and bring it here to Washington, collate it, and then, through other agencies, notably the extension service of the Department of Agriculture, carry it out to the people.

Mr. MADDEN. What kind of information do they get, and where do they get it, and to whom do they give it after they get it?

Mr. LEVER. Let me read this extract from the report of the committee last year. I read:

This item includes a study of the cost of producing farm products under varying farm conditions, a determination of the profitability of farm enterprises, the relation they bear to each other, their requirements, best way of organizing, and the devising of suitable methods of farm-cost accounting; conducting farm-management surveys which have to deal with the different types of farms, their profitability, distribution of investment, and the relative returns from the different systems of management, including a study of the size of the farm, distance from market, farm tenure, and other economic factors and their relations to the profits received; ascertaining previous experience in farm management in this and other countries, in order that modern study may have the benefit of past experience; an investigation of the adaptation of available farm equipment and the encouragement of the production and use of improved types, the development of plans, and building of better farm dwellings; a study of tenant farming in the United States to bring about a better contract between landlord and tenant; a study of the cheapest and most effective method of eradicating weeds and cultivating the soil; a study of the practice of growing hay in its relation to other crops on the farm, the handling of meadows and pastures, and to investigate the practicability of curing hay artificially; to determine the most practicable means of maintaining profitable pastures in the various parts of the country; to determine the relation existing between the various types of farming and the maintenance of soil fertility; to study the relation of geographic factors, such as rainfall, temperature, frost, water influence, air drainage, topography, location with reference to markets, social conditions, etc., to agricultural enterprises, such as dairying, stock raising, grain production, etc.; to study the farm home in its relation to the farm in regard to location, convenience, plan of construction, sanitation, water supply, sewerage, and other comforts of the family; the organization of boys and girls' clubs; investigating the possibilities of the prickly pears and other cacti; a study of the native pastures as to the recovery of overstocked and depleted natural ranges of the arid and semiarid regions of the Southwest, the normal carrying capacities of these ranges, and methods of range management as influenced by the natural forage.

Mr. MADDEN. Can the gentleman tell us of anybody anywhere in the United States who has ever made a dollar, as a farmer, as the result of any study made by these people in this branch?

Mr. LEVER. We think that the gathering of scientific information by the Department of Agriculture—

Mr. MADDEN. Does the gentleman call this scientific information?

Mr. LEVER. Of course it is. We believe that the gathering of scientific information by the Department of Agriculture and disseminating that information among the people has been of great value to this country.

Mr. MADDEN. I never saw any of this information disseminated anywhere.

Mr. LEVER. For example, here is a farm in the State of Illinois, a two-horse farm, that is being exceptionally well run, that is producing a splendid profit. The idea of this work here—one idea of it—is to study that farm, to study the methods pursued on that farm, to study the various things that enter into the profit and loss of that farm; and then by gathering data as to a number of such farms, and putting that information into shape and the conclusions, to disseminate them to the people. We regard this as exceedingly valuable work.

Mr. MADDEN. How much is the total cost of this bureau?

The CHAIRMAN. The time of the gentleman has expired.

Mr. MADDEN. I ask for two minutes.

The CHAIRMAN. The gentleman from Illinois [Mr. MADDEN] asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. LEVER. The total cost of this work is \$235,000. It has stood at that sum for several years.

Mr. MADDEN. Can the gentleman cite or refer me to any report that that bureau has ever made?

Mr. LEVER. Yes. They issue a number of reports.

Mr. MADDEN. To whom do they issue them?

Mr. LEVER. They issue a number of farm bulletins and reports to experiment stations, and they answer numerous inquiries, and furnish extension workers with valuable information.

Mr. MADDEN. Experiment stations are not farms, are they?

Mr. LEVER. True, they are not; but they are collectors of information, which in turn is distributed to the workers in the field.

Mr. MADDEN. I do not think there is a farmer in the United States who has ever made a dollar as the result of this expenditure.

Mr. LEVER. I think the gentleman is badly mistaken.

Mr. MADDEN. My colleague [Mr. McKENZIE] wishes to ask a question in my time.

Mr. McKENZIE. Is not this the bureau that has charge of the men who are sent out in the different States to cooperate with the State boards of agriculture in teaching practical farming?

Mr. LEVER. No; this is not the bureau.

Mr. McKENZIE. That comes under another bureau?

Mr. LEVER. That work is carried under another item in the bill, which comes later on.

Mr. McKENZIE. This is done by bulletins, is it?

Mr. LEVER. No; it is not done by bulletins entirely. The purpose of this bureau is to study the work of the farm as a whole. Other bureaus study it in various phases, but this is to study the farm as a unit, and to get such information as can be had as to types of farms that show a profit.

Mr. McKENZIE. How is the information disseminated? I do not agree with my colleague, however.

Mr. LEVER. It is disseminated by way of bulletins, but more largely by the force of the extension teachers in the country.

The CHAIRMAN. The time of the gentleman from Illinois has again expired.

Mr. LEVER. I ask unanimous consent for one minute.

The CHAIRMAN. If there be no objection, the gentleman from South Carolina will proceed for one minute.

There was no objection.

Mr. SHERWOOD. How many of these bulletins are there supposed to be for the benefit of the 9,000,000 farmers, on an economic proposition?

Mr. LEVER. I will say to the gentleman from Ohio that I do not know just how many of the various bulletins are to be printed.

Mr. SHERWOOD. Is this information to be disseminated through farmers' bulletins?

Mr. LEVER. I will say to the gentleman from Ohio that the dissemination in the future will be largely not so much through farm bulletins as through the local itinerant teachers who are carried under items further on in the bill.

Mr. MANN. I move to strike out the last word. May I ask the gentleman from South Carolina who is at the head of this Office of Farm Management?

Mr. LEVER. Dr. W. J. Spillman.

Mr. MANN. Where is his salary carried?

Mr. LEVER. His salary is carried in the lump sum of \$230,000.

Mr. MANN. The committee stopped the segregating of specific salaries, then, when it got through with charwomen and messengers, did it?

Mr. LEVER. I will say to the gentleman from Illinois that the policy of the committee and of the department in reference to lump-sum appropriations and the statutory rolls is this: All scientific employees and all temporary employees are carried under the lump-sum appropriation, as a rule. All clerical positions, pure and simple, and charwomen and employees like that, and all positions that have become permanent in their very nature, are carried on the statutory roll. That is the line of demarcation between the two.

Mr. MANN. What do you call the head of the Weather Bureau—a scientific position?

Mr. LEVER. Undoubtedly.

Mr. MANN. What do you call the head of the Bureau of Animal Industry? Is that a scientific position?

Mr. LEVER. Undoubtedly.

Mr. MANN. What do you call the head of the Bureau of Plant Industry? Is that a scientific position?

Mr. LEVER. Unquestionably.

Mr. MANN. What do you call the Bureau of Chemistry?

Mr. LEVER. Scientific.

Mr. MANN. Are those men paid out of the lump-sum appropriation?

Mr. LEVER. They are not. They are exceptions.

Mr. MANN. I do not say there are none, but I do not recall any that are paid out of the lump-sum appropriation.

Mr. LEVER. Not only are the men referred to by the gentleman scientific men, but their positions are administrative positions also.

Mr. MANN. I only call the attention of the gentleman to that because he has just stated that all the heads of bureaus who were scientific men were paid out of the lump-sum appropriation.

Mr. LEVER. I said scientific men. That is the general rule. Of course, these are exceptions.

Mr. MANN. I think that is not the general rule as to the chiefs of bureaus.

Mr. HAUGEN. No; not the chiefs.

Mr. MANN. Now, of course it is easier to increase a salary when it is paid out of the lump sum. Here is a newly created bureau, the total expense of which, in its lump-sum appropriation, is \$235,000. The cost of running the office, not including the chief, is \$36,080. That looks to me like a very large overhead charge. I notice that there are seven messengers; boys. Is not the most of this work done outside of the city of Washington?

Mr. LEVER. The messengers here referred to are over in the department; they naturally need some messengers.

Mr. MANN. They may naturally need some messengers, but if we had the same proportion of messengers here according to our numbers, we would have to hire extra room or put up a notice of "Standing room only," because they would not have room enough to sit down. Where is the work performed?

Mr. LEVER. It is largely performed in the field; but, necessarily, a part of the overhead charges in administration of the field work must be carried on in the city of Washington, as in the Forestry Service and the Bureau of Animal Industry; the work is collating reports, arranging them, writing the bulletins, attending to the correspondence, and that is all done in Washington.

Mr. MANN. It looks to me like a very large overhead charge.

Mr. PAGE of North Carolina. That is not all of the overhead charges. The chairman of the committee has stated that the head of the division is paid out of the lump sum.

Mr. LEVER. The salary of Dr. Spillman is \$4,000. The total of the overhead charges is set out fully in the Book of Estimates, covering more than a page, showing the various salaries of the men. There are two agriculturists at \$3,000, two at \$2,760, one at \$2,300—

Mr. MANN. Those are not overhead charges. That is the expenditure of money, or should be, for work in the field.

Mr. LEVER. These expenditures come from the lump-sum fund of \$235,000. The statutory roll is spent in the city of Washington.

Mr. MANN. I have great respect for the Agricultural Department, but I confess that I can not see how they can have so large overhead charges, requiring so many clerks, charwomen, and messengers, in order to spend \$235,000 in the field.

Mr. PAGE of North Carolina. Mr. Chairman, I move to strike out the last word, and I do it for the purpose of asking the gentleman from South Carolina if the salary of the head of this division is fixed by statute?

Mr. LEVER. There is a fixed limitation by law as to the amount of salary that can be paid to scientific men in the Department of Agriculture. The old salary was \$4,000 a year. The Congress last year increased it to \$4,500 at the urgent solicitation of the Secretary of Agriculture, but I may say to the gentleman that there is not a single one of these scientific men in the department who is paid at this time more than \$4,000.

Mr. PAGE of North Carolina. The gentleman defined a scientific employee in his answer to the gentleman from Illinois [Mr. MANN] and got me mixed up a little. On what ground is a man at the head of this bureau a scientific employee? He is a man who has to gather and correlate the figures merely. He may be a mathematician, and you might call him a statistician,

but in what branch of science does he have to be proficient in order to be the head of this bureau?

Mr. LEVER. He is both an administrative officer and a person of exceptional ability and training in the special line of work in which he is engaged.

Mr. PAGE of North Carolina. And therefore a scientist?

Mr. LEVER. And therefore a scientist. Until he was made chief of this work he did a great deal of field work. He wrote a number of bulletins, some of which I have read, and he has made a study of the various problems connected with the matters which come directly under his supervision. He is not a scientist in the sense that he is a surgeon or a doctor or a lawyer, but he is a scientist as we understand it in the nomenclature of the Department of Agriculture.

Mr. PAGE of North Carolina. Now, one other question. We have not reached the item yet, but I will anticipate it. In lines 12 and 13, page 4, a lump sum is carried of \$230,000. The gentleman has said that the head of the division is paid from a lump sum. Has the gentleman any information as to how many other people are employed from this lump-sum appropriation?

Mr. LEVER. The estimates which I hold in my hand set out in several pages, as you will see, employees whose salaries are paid out of a lump sum.

Mr. PAGE of North Carolina. Who designates the salary that is paid?

Mr. LEVER. The salary of the chief of the division would be designated by the Secretary of Agriculture, and I presume other salaries will be fixed either by the chief of this office or the Secretary of Agriculture, and probably a board appointed by the Secretary may fix them. I am not certain as to this.

Mr. PAGE of North Carolina. The gentleman says "will be fixed." Are we to understand it is a new organization?

Mr. LEVER. I should have said "are fixed."

Mr. PAGE of North Carolina. Does the gentleman know how the salaries paid these people from a lump sum compare with the salaries of those on the statutory roll who do similar work?

Mr. LEVER. I do not think it would be possible for a man paid out of a lump sum to do work similar to that which is done by those on the statutory roll, because one is composed of scientific persons and the other merely of clerical persons, and they are not comparable.

Mr. PAGE of North Carolina. Does not the gentleman conceive that some plan might be devised by which some men in the field might be paid out of the statutory roll, so that we could know exactly how much they receive?

Mr. LEVER. That has been debated a great many times in the Committee on Agriculture, and that question was investigated, not this year, because the bill was drawn with a view to adjourning on March 4, and the hearings were not as full as usual.

Mr. PAGE of North Carolina. That ought not to be the only thing in view in the drafting of an appropriation bill.

Mr. LEVER. The testimony before the committee and the judgment of the committee was that in salaries for scientific men, men highly trained along special lines, experts in their own lines of work, there should be a reasonable discretionary power lodged in the supervisory officer, who would know the relative worth and work of those under his supervision, and therefore what should be their relative salaries. That discretionary power, of course, is lodged in the Secretary of Agriculture and the various chiefs of these bureaus.

Mr. HAUGEN. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. Certainly.

Mr. HAUGEN. I would say, in reply to the gentleman's question, this, that the committee has never exercised the power to fix the salaries, as stated by the chairman of the committee. It is left with the discretion of the department to fix the salaries of the scientific men. First the lump-sum appropriations are made and the department fixes the salary and recommends the transfer, and the committee accepts the recommendation made by the department.

Mr. PAGE of North Carolina. The salaries were fixed for a great many of these employees during the last year, but no recommendation of transfer was made.

Mr. HAUGEN. The salaries have been fixed for nearly all of the employees by the department, and the committee has been accepting the recommendation of the department.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. PAGE of North Carolina. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MADDEN. Mr. Chairman, will the gentleman from North Carolina yield until I can ask the gentleman from South Carolina a question?

Mr. PAGE of North Carolina. Yes.

Mr. MADDEN. How much of this \$230,000 is expended in Washington?

Mr. LEVER. I think I can give the gentleman that information, although I have not it at hand at this moment.

Mr. MADDEN. Is it more than half of the \$230,000?

Mr. LEVER. I would think not.

Mr. ANDERSON. Mr. Chairman, \$146,000 are expended for salaries in and out of the city of Washington, and a good deal more than half of that sum is expended in Washington, probably \$80,000.

Mr. PAGE of North Carolina. Mr. Chairman, since my time is running, while the gentleman from South Carolina is looking up the answer to that question I would like to say that the general observation that I rose first to make was that the practice and custom of making appropriations in lump sums for the payment of salaries is, to my mind, the most vicious species of making appropriations. It is susceptible of having applied to it every kind of mismanagement and covering up. I am not now charging anybody with covering up, and I do not want the term to be taken in that way, but it absolutely is placing an arbitrary power in the hands of some head of a bureau to fix salaries without any regard to consultation with anyone else, and it is keeping obscure from the average Member of Congress any possibility of finding out just how much of this money is expended for salaries or what the salaries are. The gentleman from Minnesota [Mr. ANDERSON] has just observed that more than \$150,000 of this \$240,000 is expended for salaries in the city of Washington.

Mr. ANDERSON. Oh, no; the gentleman's figures are wrong. One hundred and forty-six thousand dollars of the \$240,000 are expended for salaries, and more than half of that is expended in the city of Washington.

Mr. PAGE of North Carolina. Then, \$80,000, in round numbers?

Mr. ANDERSON. Yes.

Mr. PAGE of North Carolina. The principle is the same. Certainly \$70,000 from this lump sum is expended in the payment of salaries in the District of Columbia, and they might easily be classified and placed upon a roll; and then when we come to the consideration of this bill we would at least know what we were paying these men for their services.

Mr. MANN. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. Yes.

Mr. MANN. Heartily agreeing with every word the gentleman says, I rise to ask the gentleman to repeat that speech in the Committee on Appropriations when it comes to making the lump-sum appropriation for the Interstate Commerce Commission, which is the most extravagant body working under the Government.

Mr. PAGE of North Carolina. I will say to the gentleman that I have made that speech in the Committee on Appropriations.

Mr. MANN. I hope the gentleman will make it effectively.

Mr. PAGE of North Carolina. And I will make it anywhere else where lump-sum appropriations appear that are expended for the payment of salaries, particularly to men who are employed in the District of Columbia, and I think it ought to apply even outside of the District.

Mr. MANN. That is, the Interstate Commerce Commission.

Mr. PAGE of North Carolina. And I want to say that just as long as this policy of making appropriations in lump sums is continued there will be a misappropriation of funds, or, rather, an overappropriation of funds for the purpose for which the appropriation is made.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. PAGE of North Carolina. I yield for a question.

Mr. McKENZIE. I want to ask a question for information. Can the gentleman tell the committee how these men get on the pay roll? Are they legislated on to the pay roll or are they put on by appointment of some one in this department?

Mr. PAGE of North Carolina. They are evidently put on by appointment of somebody in the Agricultural Department, I presume, after some sort of a civil-service examination.

Mr. McKENZIE. And then an appropriation is asked for the salary of these men?

Mr. PAGE of North Carolina. They already have the appropriation in a lump sum from which they fix the amount of the salary.

Mr. McKENZIE. They appoint them after.

Mr. PAGE of North Carolina. They appoint them after they have gotten a lump-sum appropriation.

Mr. GOODWIN of Arkansas. The gentleman is a member of the Committee on Appropriations, and most of the items set forth in this bill carry specific appropriations. His objection goes to the fact that here is a lump-sum appropriation of \$230,000 and in other places there are lump sums appropriated.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GOODWIN of Arkansas. What disclosures are made by publication or otherwise as to the salaries these experts receive out of this lump-sum appropriation?

Mr. PAGE of North Carolina. I assume that the chairman of the committee can tell you that some reports are made to the Committee on Agriculture.

Mr. LEVER. A full statement of the amount paid in salaries each year is furnished the committee and the House in the annual estimates of the Secretary of Agriculture.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LEVER. Mr. Chairman, I ask unanimous consent to proceed for two minutes, to answer the gentleman.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. COOPER. Well, the Book of Estimates shows the amount of salaries now paid, but the lump-sum appropriation leaves it to the superior in fixing salaries. There is no necessity for their employing the people mentioned in the Book of Estimates. If you make a lump-sum appropriation, they can put in a man at a great deal larger salary and drop out another; so the Book of Estimates does not show anything to Congress at all but the number employed.

Mr. LEVER. That is very true about this appropriation and a great many others; but the point I desire to make is this, that men who have given a careful study to this proposition of how to handle salaries of scientific men in this department have come to the conclusion that to make their salaries unyielding, unbending, and unvarying by enacting them into law from year to year which can not be changed except by act of Congress would be a handicap to the work of that class of men. These men are highly trained experts, and are very sensitive to anything that might appear as a reflection upon their work. They are as hard to handle as a thoroughbred race horse, and you have to treat them a little differently from the man doing ordinary routine work. There is much in the proposition that there should be a reasonable leeway in fixing these salaries.

Mr. COOPER. Does not the gentleman think that the man who made up this Book of Estimates knew approximately what he could hire these men for?

Mr. LEVER. Oh, undoubtedly.

Mr. COOPER. Does the gentleman think it would overcome their sensitiveness somewhat to say, "Here, you take this money for which we have estimated to Congress; if you do not like it, you can go without it."

Mr. LEVER. It is possible to handle this proposition on the statutory roll, and probably it will be wise to do it, but heretofore we have not thought so.

Mr. STAFFORD. Will the gentleman yield?

Mr. LEVER. Yes.

Mr. STAFFORD. Do I understand the committee is so guardful of the sensitiveness of these employees that they do not scrutinize the recommendations from the heads of the bureau, but merely vote the lump sum recommended by the department?

Mr. LEVER. No; I did not make any statement to bear out that impression, and if I did I did not intend to do it. I said that the men who had given careful study to this subject, the great scientific men of the Department of Agriculture and elsewhere, had come to the conclusion that the salaries of these scientific men ought to be carried in lump-sum appropriations, and should be fixed by those most capable of judging of relative merit.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. STAFFORD. I ask that the gentleman's time be extended for five minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin. [After a pause.] The Chair hears none.

Mr. STAFFORD. Will the gentleman yield further? Is there any instance since the chairman has been connected with the committee where, by action of the committee, the salary of any of these sensitive experts has been reduced?

Mr. LEVER. I do not know that there has, but while the committee does not know anything about it, it seems from newspaper reports some salaries have been reduced.

Mr. STAFFORD. But the committee itself has never taken any action whereby salaries have been reduced.

Mr. LEVER. On the contrary, the committee raised the maximum amount that may be paid this class of employees in last year's bill.

Mr. STAFFORD. That was the maximum salary?

Mr. LEVER. Yes.

Mr. STAFFORD. So an underofficial who was receiving beneath \$4,500 could receive the maximum amount without control, at least by Congress.

Mr. LEVER. That is true, as this bill is fixed. But I will say to the gentleman from Wisconsin [Mr. STAFFORD] that this method of fixing salaries in this bill has prevailed ever since I have been a member of this committee.

Mr. STAFFORD. Does the gentleman remember that for six or eight years there have been Members on this floor protesting against this method, because the Congress surrenders the control over salaries by it to the heads of the department?

Mr. LEVER. It seems that the protest of the Members have not availed with the House.

Mr. COOPER. The gentleman said a moment ago in reply to a question, that certain experts or men of prominence in the department thought they ought to be given a lump-sum appropriation to handle these men who are in the employ of the department. Who are these experts that gave that opinion?

Mr. LEVER. I meant by that statement men who have been chiefs of these various bureaus, like Dr. Melvin, Chief of the Bureau of Animal Industry, whose salary is carried on the statutory roll.

Mr. COOPER. And he is a very excellent man.

Mr. LEVER. He is a very excellent man. And then Dr. Marvin, Chief of the Weather Bureau, whose salary is carried on the statutory roll; and Dr. Taylor, and other men. The Secretary of Agriculture and the Assistant Secretary, and men expert in this line of work have always concluded that this is the best method.

Mr. COOPER. They are the men who are to disburse these funds?

Mr. LEVER. That is true.

Mr. COOPER. And they all think it would be better for the public service to give them a lump-sum appropriation to expend in their discretion, to put it in a nutshell?

Mr. LEVER. That is true.

Mr. COOPER. And the men who have rendered this opinion are men not outside the service, but the men who are to expend the funds, and who ask that the funds be voted to them to expend.

Mr. LEVER. They are men who, on account of their expert knowledge, know best how this fund ought to be expended. But I want to make this observation before I close. If the Committee of the Whole will indicate to the Committee on Agriculture that it desires that we place all of these scientific men on the statutory roll in the next bill, if I am fortunate or unfortunate enough to be chairman of the committee in the next Congress, I will say that the committee will make a very earnest effort to carry out their wishes.

Mr. COOPER. Did the gentleman in the committee fix the aggregate sum to be expended under these different items from the estimates set forth in this Book of Estimates?

Mr. LEVER. We did.

Mr. COOPER. Why do you not put those statements right in your bill?

Mr. LEVER. Probably we could have done it.

Mr. COOPER. Probably. You could have done it of course. What reason did the committee have for not doing it?

Mr. ANDERSON. The Book of Estimates is as available to the gentleman from Wisconsin as it is to us.

Mr. COOPER. It does not bind the man who spends the money. Not only it is the law to protect the Treasury, but to have the money spent as it ought to be spent. If this is to be a Government of law and not of men, as we frequently say, we can not put that into any more effective practice than by saying that the money taken from the Public Treasury shall not be expended within the discretion of bureau chiefs, but in the discretion of Congress that makes the appropriations.

Mr. LEVER. There are three reasons why the committee did not follow the suggestion that is made by the gentleman from Wisconsin. One is that the committee is of the opinion, after listening to the testimony—not this year, but from year to year—that the best way to handle the salaries of these scientific men is to do it in this way. The other is that the committee has followed other committees that have gone before them. The third reason is that the agricultural appropriation bill would probably cover 200 pages if we should follow his suggestion, and would not be intelligible to the Members of the House.

Mr. MANN. Mr. Chairman, it is Saturday night, and I make the point of order that there is no quorum present.

Mr. LEVER. Will not the gentleman let me get down to the Weather Bureau?

Mr. MANN. Some of us may want to discuss some other items in the Office of Farm Management.

Mr. MOSS of Indiana. Mr. Chairman, I ask unanimous consent to extend my remarks in the Record.

Mr. MANN. Then I withdraw the point of no quorum for that purpose.

The CHAIRMAN. The gentleman from Indiana asks unanimous consent to extend his remarks in the Record. Is there objection? [After a pause.] The Chair hears none.

Mr. LEVER. I will ask the gentleman from Illinois to withdraw the point of no quorum and I will move to rise.

Mr. MANN. I withdrew the point. Mr. Chairman, I withdraw the point of no quorum.

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HAMLIN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill (H. R. 20415) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1916, and had come to no resolution thereon.

HOOR OF MEETING ON MONDAY.

Mr. LEVER. Mr. Speaker, I ask unanimous consent that when the House adjourns to-morrow it adjourn to meet at 11 o'clock on Monday. I understand we have eulogies to-morrow, Sunday.

Mr. MANN. Does the House meet to-morrow?

Mr. LEVER. Yes; that is my understanding.

Mr. MANN. Reserving the right to object, Mr. Speaker, I have no objection to meeting on Monday at 11 o'clock for the consideration of the Agricultural appropriation bill, in order to hasten the work on appropriations, but I would not consent to meet on Monday at 11 o'clock for the purpose of transacting District business, which is not very material.

Mr. LEVER. I will say to the gentleman that it is my intention to move to take up the Agricultural bill on Monday.

Mr. HAWLEY. I would like to ask the gentleman if he has any information as to whether that motion will be carried on Monday?

Mr. MANN. It will be carried if it is made.

Mr. LEVER. I think it will be carried when it is made.

The SPEAKER. The gentleman from South Carolina [Mr. LEVER] asks unanimous consent that when the House adjourns to-morrow it adjourn to meet on Monday morning at 11 o'clock. Is there objection?

Mr. FITZGERALD. Reserving the right to object, has the gentleman from South Carolina any understanding with the chairman of the District Committee?

Mr. MANN. The gentleman has stated that he will make a motion to take up the Agricultural appropriation bill on Monday instead of District business.

Mr. LEVER. I will say to the gentleman from New York that the indications are that considerable time will be needed to put this bill through—indications that have appeared this afternoon—and I would like to expedite the passage of this bill as quickly as possible in order to prevent a jam of appropriation bills in conference.

Mr. FITZGERALD. If we meet at 11 o'clock on Monday, is it the gentleman's intention to press this bill for consideration?

Mr. LEVER. It is.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

ENROLLED BILL SIGNED.

Mr. ASHBROOK, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title when the Speaker signed the same:

H. R. 19076. An act to amend an act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911.

ADJOURNMENT.

Mr. LEVER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 35 minutes p. m.) the House adjourned, in pursuance of the order previously made, until to-morrow, Sunday, January 24, 1915, at 12 o'clock noon.

EXECUTIVE COMMUNICATION.

Under clause 2 of Rule XXIV, a letter from the Acting Secretary of Commerce, transmitting detailed statement of the number of documents received and distributed by the Department of Commerce, 1914 (H. Doc. No. 1515), was taken from the Speaker's table, referred to the Committee on Printing, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. FLOOD of Virginia, from the Committee on Foreign Affairs, to which was referred the bill (S. 6631) to regulate the practice of pharmacy and the sale of poison in the consular districts of the United States in China, reported the same without amendment, accompanied by a report (No. 1311), which said bill and report were referred to the House Calendar.

Mr. OLDFIELD, from the Committee on Patents, to which was referred the bill (H. R. 16098) revising and amending the statutes relative to trade-marks, reported the same without amendment, accompanied by a report (No. 1313), which said bill and report were referred to the House Calendar.

Mr. McKELLAR, from the Committee on Military Affairs, to which was referred the bill (H. R. 20246) to establish and maintain military training schools in the several States of the Union, in Alaska, and in the District of Columbia, reported the same with amendment, accompanied by a report (No. 1312), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Claims was discharged from consideration of the bill (H. R. 20884) for the relief of Charles A. Cutler, and the same was referred to the Committee on War Claims.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. OLDFIELD: A bill (H. R. 21137) to amend section 23 of the act entitled "An act to amend and consolidate the acts respecting copyright," approved March 4, 1909; to the Committee on Patents.

By Mr. FLOOD of Virginia: A bill (H. R. 21138) to authorize the payment of an indemnity to the Norwegian Government for the detention of three subjects of Norway in Hudson County, N. J.; to the Committee on Foreign Affairs.

By Mr. JOHNSON of Utah: A bill (H. R. 21139) authorizing and directing the Secretary of the Interior to patent certain lands to the State of Utah and to accept from said State certain other lands in lieu thereof; to the Committee on the Public Lands.

By Mr. FLOOD of Virginia: Joint resolution (H. J. Res. 409) authorizing the President to extend invitations to the Governments of Central and South America to appoint representatives to attend a conference with the Secretary of the Treasury in the city of Washington; to the Committee on Foreign Affairs.

By Mr. MORGAN of Oklahoma: Concurrent resolution (H. Con. Res. 58) declaring for a special session of the Sixty-fourth Congress to consider rural-credit legislation; to the Committee on Way and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BAILEY: A bill (H. R. 21140) granting a pension to Sophia Ake; to the Committee on Invalid Pensions.

By Mr. BOOHER: A bill (H. R. 21141) granting a pension to Adeline Adams (now Grimm); to the Committee on Invalid Pensions.

By Mr. BORLAND: A bill (H. R. 21142) granting a pension to Ambrose A. Clarke; to the Committee on Pensions.

By Mr. DOOLITTLE: A bill (H. R. 21143) granting an increase of pension to Margaret L. Wood; to the Committee on Invalid Pensions.

By Mr. GRAHAM of Illinois: A bill (H. R. 21144) for the relief of the heirs of John L. Himes; to the Committee on War Claims.

By Mr. HELVERING: A bill (H. R. 21145) granting an increase of pension to Alfred G. Cress; to the Committee on Invalid Pensions.

By Mr. KETTNER: A bill (H. R. 21146) for the relief of Daniel McSwegan, alias Gallagher; to the Committee on Military Affairs.

Also, a bill (H. R. 21147) granting a pension to Eva L. Woolcott; to the Committee on Pensions.

By Mr. McANDREWS: A bill (H. R. 21148) granting a pension to Elizabeth Looney; to the Committee on Invalid Pensions.

By Mr. MORRISON: A bill (H. R. 21149) granting an increase of pension to William E. Hopkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 21150) granting a pension to Flora B. Warren; to the Committee on Invalid Pensions.

By Mr. NEELY of West Virginia: A bill (H. R. 21151) granting an increase of pension to George M. Warner; to the Committee on Invalid Pensions.

By Mr. NORTON: A bill (H. R. 21152) granting a pension to Michael E. Urell; to the Committee on Pensions.

Also, a bill (H. R. 21153) granting an increase of pension to Thomas McCormick; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 21154) for the relief of the legal representatives of Andrew R. Humes; to the Committee on War Claims.

By Mr. WINSLOW: A bill (H. R. 21155) granting an increase of pension to Harriet W. Hildreth; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ASHBROOK: Memorial of Ministerial Association of Mansfield, Ohio, favoring passage of H. R. 5139—Hamill bill; to the Committee on Reform in the Civil Service.

By Mr. BAILEY: Petitions of B. F. Ourandt, of Altoona, and D. M. Fouse, of Drab, Pa., protesting against amendment to the Post Office appropriation bill relative to freedom of the press; to the Committee on the Post Office and Post Roads.

Also, petition of Staatsverband State League of Pennsylvania and German Roman Catholic Central Verein, favoring resolution prohibiting export of munitions of war; to the Committee on Foreign Affairs.

Also, petitions of United Mine Workers of America, No. 145, Hopewell, and United Mine Workers of America, Local Union No. 2426, Gallitzin, Pa., favoring the passage of Kern-Foster bill relative to extension of the work of the Bureau of Mines; to the Committee on Mines and Mining.

By Mr. BELL of California: Petitions of H. P. Lewis and 410 citizens of Pasadena, Los Angeles, Watts, Hyde Park, Huntington Park, South Pasadena, Alhambra, Hollywood, Anaheim, Whittier, Montebello, Compton, Glendale, Inglewood, Monrovia, Bakersfield, San Francisco, all of California, favoring the passage of House joint resolution 377, prohibiting the export of arms, ammunition, and munitions of war from the territory or any seaport of the United States; to the Committee on Foreign Affairs.

Also, petition of Western Forestry and Conservation Association, favoring congressional action in support of forest protection; to the Committee on Expenditures in the Interior Department.

Also, memorial of Board of Supervisors of San Diego County, Cal., favoring appropriation for the construction of a military road from Yuma, Ariz.; to the Committee on Military Affairs.

Also, resolution of Miriam H. Myrick, Stephen S. Myrick, John A. Merrill, of Los Angeles, Cal., and F. S. Hayden, of Azusa, Cal., favoring peace and protesting against the present war system; to the Committee on Foreign Affairs.

Also, resolution of the German, Austrian, Hungarian, and Irish Alliance, of Los Angeles, Cal., and citizens of Mankato and vicinity, favoring the observance of strict neutrality by the United States; to the Committee on Foreign Affairs.

Also, resolutions of Los Angeles Chamber of Commerce, favoring reclamation of land in San Bernardino County, Cal.; also recommending adequate pension for widow of late Gen. Chaffee; to the Committee on the Public Lands.

Also, protest of Alice W. Pitman, Elizabeth P. Evans, Lydia Pike, Ellen P. Garwood, Emily G. Hunt, M. D., Elizabeth W. Hunt, M. D., Ellen M. Hunt, and Friends' Society, all of Pasadena, Cal., protesting against the shipment of American horses to European battle fields; to the Committee on Foreign Affairs.

By Mr. BORCHERS: Petition of citizens of the State of Illinois, favoring resolution to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. BUCHANAN of Illinois: Petition of 147 citizens of Cook County, Ill., protesting against prohibition in the District of Columbia; to the Committee on the District of Columbia.

Also, petition of 115 citizens and 19 societies of Chicago, Ill., having a membership of 4,957, favoring House joint resolution 377, to forbid export of arms; to the Committee on Foreign Affairs.

Also, petition of 22 Polish societies of Chicago, Ill., against Smith-Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. CARY: Petition of John Eckert, John Lisch, Herman Puhlmann, Hugo Heyse, G. H. Behnke, Frank Guise, William Spiegel, Fred Leypold, and 258 others, all residents of Milwaukee County, Wis., urging the passage of House joint resolution 377; to the Committee on Foreign Affairs.

By Mr. COOPER: Petitions of Rev. S. A. Jedele and other residents of Wilmet; John Grape and other residents of Waukesha; Rev. Henry Ohde and other residents of White-water; Rev. A. Lossner and other residents of Waterford; Dr. John Schulze and other residents of Racine; E. Duerr and other residents of Lannon; Rev. T. F. Wolff and other residents of Slades Corners; Rev. G. A. Zimmer and other residents of Milton; A. F. Trapp and other residents of Hartland; G. H. Voss and other residents of Union Grove; Rev. F. Koch and other residents of Caledonia; Albert Starks and other residents of Richmond; S. B. Mills and other residents of Waukesha; Clarence Smith and other residents of Menomonee Falls; J. B. Christoph and other residents of Waukesha; German-American National Alliance, Janesville; German Lutheran Church of Kenosha, all in the State of Wisconsin, asking that legislation be enacted that will enable the President to levy an embargo on all goods contraband of war, save only foodstuffs; to the Committee on Foreign Affairs.

By Mr. DALE: Petition of the Griscom Russell Co., of New York City, protesting against the passage of the ship-purchase bill; to the Committee on the Merchant Marine and Fisheries.

Also, petition of American Federation of Labor, favoring bill restricting immigration; to the Committee on Immigration and Naturalization.

Also, memorial of citizens of Mankato and vicinity, favoring resolution prohibiting export of munitions of war; to the Committee on Foreign Affairs.

By Mr. DILLON: Petitions of citizens of South Dakota, favoring passage of resolution prohibiting export of munitions of war; to the Committee on Foreign Affairs.

By Mr. DONOVAN: Petition of citizens of Danbury and Bridgeport, Conn., favoring House joint resolution 377, to prohibit export of arms; to the Committee on Foreign Affairs.

Also, petition of Polish Women's Alliance of America, No. 67, of Bridgeport; the Polish Falcon's Society, of Stamford; and White Eagles National Alliance, No. 1791, of Bridgeport, all in the State of Connecticut, against the Smith-Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. DOOLITTLE: Petition of 27 citizens of White City, Kans., favoring resolution prohibiting export of munitions of war; to the Committee on Foreign Affairs.

By Mr. FITZGERALD: Petition of steamship companies of Puget Sound and Alaska, relative to certain aids to navigation; to the Committee on Immigration and Naturalization.

Also, petition of New York Board of Trade and Transportation, favoring Senate bill 3672, to improve Harlem River; to the Committee on Rivers and Harbors.

Also, petition of German-American League and United Irish Societies of San Francisco, Cal., favoring neutrality by the United States; to the Committee on Foreign Affairs.

Also, petition of Western Forestry and Conservation Association, of Portland, Oreg., favoring an appropriation for forest protection; to the Committee on Expenditures in the Interior Department.

By Mr. GRAHAM of Pennsylvania: Petition of Polish Roman Catholics in the Union of America, Philadelphia, Pa., protesting against the literacy test in the immigration bill; to the Committee on Immigration and Naturalization.

By Mr. HILL: Petition of citizens of Conant, Ill., favoring resolution to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. IGOE: Petitions by Martin S. Sommers; Edward A. Kamp, for Federation of Evangelical Brotherhoods; Michael J. Deck and Henry J. Jacobsmeier, for the Catholic District League No. 1; George G. Ernst, for the German Roman Catholic Verein; George Willmering and Edward Jansen, for Branch 427, Catholic Knights of America; William Lapusan; F. J. William Weiger; Henry Vennemann, Frank Peters, Henry Ruesken, B. H. Ruesken, and others, for Our Lady of Perpetual

Help Benevolent Society and Catholic Knights of America, Branch 552, protesting against the shipment of arms and munitions of war to belligerent nations and favoring legislation prohibiting such shipments; to the Committee on Foreign Affairs.

Also, resolutions adopted at a mass meeting of American citizens at the Coliseum in St. Louis, Mo., January 10, 1915, under the auspices of the American Neutrality League, protesting against the sale and exportation of arms and ammunition to any belligerent nation in the present or future wars, and favoring legislation prohibiting same; to the Committee on Foreign Affairs.

By Mr. KENNEDY of Rhode Island: Petition of Arthur I. Conaty, of Providence, R. I., urging protection for Catholics in Mexico; to the Committee on Foreign Affairs.

Also, petition of A. Perregaux, of Lincoln, R. I., favoring passage of the Palmer-Owen child-labor bill; to the Committee on Labor.

By Mr. LOBECK: Petition of 147 citizens of Nebraska and 86 members of Plattdeutsche Verein, of Papillion, Nebr., favoring resolution prohibiting export of war material; to the Committee on Foreign Affairs.

By Mr. McANDREWS: Petition of citizens of Illinois, favoring House joint resolution 377, to forbid export of arms to Europe; to the Committee on Foreign Affairs.

By Mr. MAGUIRE of Nebraska: Memorial of German Evangelical Lutheran St. Paul's Congregation, of Lincoln, Nebr., favoring resolution relative to export of war material; to the Committee on Foreign Affairs.

By Mr. MAHAN: Petitions of citizens of Norwich, Conn., and vicinity, favoring passage of resolution relative to export of war material; to the Committee on Foreign Affairs.

By Mr. MAPES: Petition of citizens of Grand Rapids, Mich., favoring House joint resolution 377, to prohibit export of war material; to the Committee on Foreign Affairs.

By Mr. MOON: Papers to accompany H. R. 6664, for the relief of Joseph Clyde Shadden; to the Committee on Invalid Pensions.

By Mr. MORIN: Petition of citizens of the State of Pennsylvania, favoring the Hamill bill, H. R. 5139; to the Committee on Reform in the Civil Service.

By Mr. NEELY of West Virginia: Papers to accompany H. R. 21151, a bill for the relief of George M. Warner; to the Committee on Invalid Pensions.

By Mr. O'SHAUNESSY: Petition of citizens of Warren, R. I., against Smith-Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of H. A. Thayer, Providence, R. I., favoring Stevens bill; to the Committee on Interstate and Foreign Commerce.

Also, petition of citizens of Providence, R. I., protesting against ruling of the Postmaster General forbidding the use of colored paper inserted in window envelopes; to the Committee on the Post Office and Post Roads.

Also, petition of citizens of Newport, Providence, and Pawtucket, R. I., favoring Owen-Palmer child-labor bill; to the Committee on Labor.

Also, petition of citizens of Providence, R. I., protesting against persecution of Catholic clergy and sisters in Mexico; to the Committee on Foreign Affairs.

By Mr. RAKER: Petition of James West and others, favoring House joint resolution 168; to the Committee on the Judiciary.

Also, petitions of the Merchants' Exchange of Oakland, Cal., and Petaluma (Cal.) Central Labor Council, favoring the Hamill bill, H. R. 5139; to the Committee on Reform in the Civil Service.

Also, petition of Mrs. Alice F. Painter, of Eureka, Cal., favoring abolition by United States of the war system; to the Committee on Military Affairs.

Also, petition of William C. Snowdon, of Corning, Cal., against Fitzgerald amendment to the Post Office appropriation bill; to the Committee on the Post Office and Post Roads.

Also, petition of priests of Scranton (Pa.) diocese, relative to transmission through mails of certain publications; to the Committee on the Post Office and Post Roads.

Also, petition of Elk Grove (Cal.) Grange, No. 86, against contract system in rural delivery service; to the Committee on the Post Office and Post Roads.

By Mr. SABATH: Petition of citizens of Chicago, Ill., against Smith-Burnett immigration bill; to the Committee on Immigration and Naturalization.

By Mr. SCULLY: Memorial of priests of the Scranton (Pa.) diocese and Church of the Holy Savior, of Wilkes-Barre, Pa., protesting against carrying the publication called the Menace through the mails; to the Committee on the Post Office and Post Roads.

Also, petition of Tow Fostep, S. R. 1023, L. N. P., of Chrome, N. J., and Polish Falcons' Alliance of South River, N. J., protesting against the Smith-Burnett immigration bill; to the Committee on Immigration and Naturalization.

Also, petition of German Presbyterian Church of Sayresville, Pa.; German-American Alliance of Los Angeles, Cal.; and German, Austrian, Hungarian, and Irish Alliance, relative to strict neutrality of the United States; to the Committee on Foreign Affairs.

By Mr. SMITH of Idaho: Petition of Dr. John F. Schmershall and other citizens, favoring resolution relative to export of war material; to the Committee on Foreign Affairs.

Also, petitions of Mary Schaweller and other citizens of Post Falls and Joseph Schlaegel and other citizens of Jerome, Idaho, favoring resolution relative to export of war material; to the Committee on Foreign Affairs.

By Mr. STEPHENS of California: Memorial of German, Austrian, Hungarian, and Irish Alliance, Los Angeles, Cal., and German Roman Staatsverbund State League of California, and German Roman Catholic Central Verein, favoring resolution to prohibit export of war material; to the Committee on Foreign Affairs.

Also, memorial of Los Angeles (Cal.) Chamber of Commerce, favoring section 14, Wilson bill, be adopted in lieu of section 13, La Follette bill—seaman's bill; to the Committee on the Merchant Marine and Fisheries.

Also, memorial of Orange Grove Monthly Meeting of Friends, of Pasadena, Cal., protesting against the sending of American horses to European battle fields; to the Committee on Foreign Affairs.

By Mr. STEVENS of Minnesota: Memorial of faculty of Macalester College, St. Paul, Minn., protesting against increasing of armament by United States; to the Committee on Military Affairs.

By Mr. WALLIN: Petition of Central New York District Council of Electrical Workers, favoring postalization of all telephone lines; to the Committee on the Post Office and Post Roads.